2019–20

**ANNUAL REPORT**

An independent agency combating major crime  
and reducing corruption for the benefit of  
the Queensland community

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| 31 August 2020  The Honourable Yvette D’Ath MP  Attorney-General and Minister for Justice and Leader of the House  1 William Street Brisbane Qld 4000  Dear Attorney  I am pleased to submit for presentation to the Parliament the Annual Report 2019–20 and financial statements for the Crime and Corruption Commission (CCC).  I certify that this Annual Report complies with:   * the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standards 2019*, and * the detailed requirements set out in the *Annual report requirements for Queensland Government agencies.*   A checklist outlining the annual reporting requirements can be accessed at page 117 of this annual report.  Yours sincerely    **A J MacSporran QC**  Chairperson  Crime and Corruption Commission |

**About our Annual Report**

This report assesses our agency’s performance against our strategic objectives including performance indicators aligning with our [2019–23 Strategic Plan](https://www.ccc.qld.gov.au/publications/ccc-strategic-plans), 2019–20 Operational Plan, and 2019–20 Service Delivery Statement. This report includes both qualitative and quantitative performance information demonstrating our commitment to combating major crime and reducing corruption for the benefit of the Queensland community.

As part of our commitment to transparent and accountable reporting, we have endeavoured to strike a balance between informing the public and protecting confidential information that could compromise a person or an ongoing investigation. For that reason, it is not possible to include detailed reports on the CCC’s witness protection program.

The annual report is available on the CCC website at [www.ccc.qld.gov.au/annualreport](file:///C:\Users\nhallows\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\D4NVOYHS\www.ccc.qld.gov.au\annualreport) or in hard copy on request. Our website also hosts detailed information about the CCC including our Strategic Plan, Audit Plan, publications, media releases and information about government bodies relevant to us.

Additional information on consultancies, overseas travel and interpreter services (in accordance with the Queensland Language Services Policy) is published through the Queensland Government Open Data website, [www.data.qld.gov.au](http://www.data.qld.gov.au)

**Acknowledgement of Country**

The CCC acknowledges Aboriginal and Torres Strait Islander peoples as the First Australians and recognises their culture, history, diversity and their deep connection to the land, waters and seas of Queensland and the Torres Strait. We acknowledge the Traditional Custodians of the lands on which we operate and wish to pay our respects to their Elders past, present and emerging.

**Interpreter service**

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact the CCC on either **07 3360 6060** or **toll-free 1800 061 611** and we will arrange for an interpreter to effectively communicate the report to you.

**Feedback**

We welcome your comments on this report.

See the inside cover for contact details on where to address your feedback.

# About us

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## Our vision, purpose and values

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| Our vision Safe communities supported by fair and ethical public institutions with an agency focus on those matters of highest threat to the Queensland community. Our purpose The CCC is an independent agency combating major crime and reducing corruption for the benefit of the Queensland community. |

### Our values

Our values underpin everything we do at the CCC.

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|  | People We value, respect and collaborate with each other.  We develop ourselves and those around us.  We act in the interests of the Queensland community. |
|  | Accountability We own our actions and decisions.  We are responsible with the resources we are given.  We are responsive to our stakeholders. |
|  | Integrity We are honest and transparent.  We act with impartiality.  We keep our commitments. |
|  | Courage We question the status quo.  We embrace change.  We stand up for what is right. |
|  | Excellence We deliver consistent high performance.  We treat our mistakes as opportunities.  We implement ideas that create value. |

## Key facts and figures

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**338** full-time equivalent staff

**$67 M** annual budget

**3435** complaints of suspected  
corruption assessed

**22** people charged with **112** criminal offences relating to corruption investigations

**42** days of hearings relating to  
corruption investigations with 71 witnesses examined

**17**recommendations for disciplinary action  
were made from our corruption investigations  
relating to 11 people

**5** corruption audits completed

**141** prevention recommendations made

**43** people charged with  
**173** criminal offences relating to crime investigations

**178** days of hearings relating to  
crime investigations with 194 witnesses examined

**$8.995 M**proceeds of crime restrained

**$7.181 M**proceeds of crime forfeited to the state

## Who we are

The origins of the Crime and Corruption Commission date back to July 1989 when Mr Tony Fitzgerald QC presented the Queensland Government with the findings of the Commission of Inquiry into Possible Illegal Activities and Associated Police Misconduct (known as the Fitzgerald Inquiry Report).

The Fitzgerald Inquiry recommended the Queensland Parliament establish an independent agency to fight organised crime and corruption to help restore confidence in our public institutions, and to be responsible for Queensland’s witness protection program. Since that time, the presence of an independent Commission dedicated to fighting organised crime and corruption has been a constant in Queensland public life.

Although there have been a number of iterations of the Commission since 1989, the core work of the Commission has essentially remained the same.

Today’s CCC investigates major crime and corruption, has oversight of both the police and the public sector, recovers the proceeds of crime and protects witnesses.

Our work includes:

* investigating organised crime, paedophilia, terrorist activity and other serious crime
* receiving, assessing and investigating allegations of corruption
* developing strategies to prevent crime and corruption
* undertaking intelligence activities and conducting research on crime, corruption, policing and other relevant matters.

The *Crime and Corruption Act 2001* sets out our agency’s primary functions, powers and governance structure. Other legislation supports our functions by enabling us to recover criminal proceeds, protect witnesses, and gather evidence through searches and surveillance. This legislation includes:

* *Criminal Proceeds Confiscation Act 2002*
* *Police Powers and Responsibilities Act 2000*
* *Telecommunications Interception Act 2009*
* *Telecommunications (Interception and Access) Act 1979* (Cth)
* *Witness Protection Act 2000.*

### Our organisational structure

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| --- | --- | --- | --- | --- |
| **The Commission** | | | | |
|  |  |  |  |  |
| Commissioner | Commissioner | **Chairperson** | Deputy Commissioner | Commissioner |
| Office of the Commission |  |  |  |  |
|  | **Chief Executive Officer** | | |  |
|  |  |  |  |  |
| Operations Support | Crime | Corruption | Corporate Services | Strategy, Innovation and Insights  *A detailed breakdown of staff by division is provided on page 68.* |

## Our stakeholders and partners

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| The CCC works closely with state, national and international law enforcement and anti-corruption agencies in combating major crime and corruption. Partnership arrangements can include:   * **participating in joint investigations** * **sharing intelligence products and operational resources** * **using our coercive powers in support of other agencies’ investigations.** |

### Queensland

* Queensland public
* Attorney-General and Minister for Justice
* Parliamentary Crime and Corruption Committee (PCCC)
* Parliamentary Crime and Corruption Commissioner
* Queensland units of public administration
* Office of the Director of Public Prosecutions
* Office of the Independent Assessor
* Queensland Police Service (QPS)
* Queensland Integrity Commissioner

### New South Wales

* Independent Commission Against Corruption
* Law Enforcement Conduct Commission
* New South Wales Crime Commission

### Victoria

* Independent Broad-based Anti-corruption Commission

### Tasmania

* Integrity Commission

### South Australia

* Independent Commissioner Against Corruption
* Office for Public Integrity

### Western Australia

* Corruption and Crime Commission

### Northern Territory

* Independent Commissioner Against Corruption

### Commonwealth Agencies

* Australian Commission for Law Enforcement Integrity
* Australian Criminal Intelligence Commission
* Australian Federal Police
* Australian Border Force
* Australian Taxation Office
* Australian Transaction Reports and Analysis Centre

## How we work

### Our crime function

The CCC may investigate major crime, undertake intelligence operations into the suspected criminal activities of criminal organisations and their participants, and take action to confiscate the suspected proceeds of serious crime related activity and assets of serious drug offenders. We may also engage our research, prevention and intelligence functions to support these activities and, more broadly, our role in reducing the incidence of major crime.

Our major crime jurisdiction is limited to matters described in Referrals made or Authorities approved by our Crime Reference Committee which may be specific in relation to a particular incident of major crime or may be general in nature, or may concern the purposes for which an intelligence operation may be undertaken.

Our proceeds of crime confiscation jurisdiction concerns non-conviction based civil confiscation and serious drug offender confiscation.

Our civil confiscation jurisdiction involves a scheme under which property can be restrained on the basis of a reasonable suspicion of someone having engaged in serious crime related activity. The ultimate forfeiture of the property to the State may be achieved by court-ordered forfeiture, by way of proceeds assessment or an unexplained wealth order.

Our serious drug offender confiscation jurisdiction involves confiscating the assets of a person where a court has made a serious drug offender confiscation order against them because they were convicted of a specific qualifying offence. Assets may be confiscated in these circumstances, even where the assets may have been lawfully acquired.

We concentrate our efforts on working in cooperation with the QPS and other agencies, where without our involvement, the appropriate response or outcome could not otherwise be achieved.

Our primary aims as an agency are ensuring we do not duplicate other law enforcement efforts, we meet community expectations about the nature and quality of the work we do, and are able to demonstrate distinct and measurable value for that contribution.

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| Our powersCoercive powers The CCC can hold coercive hearings, compelling witnesses to attend where they must respond to questions, even if the answer is self-incriminating. Our coercive hearings power allows us to obtain new information and evidence that can advance complex crime and corruption investigations, as well as enhance law enforcement’s awareness of organised crime involvement in criminal activity. Hearings are conducted with strong protections placed on information gained through the use of these powers.  The CCC also has the power to compel people or agencies to produce records or other items. These powers are used extensively in corruption investigations, financial investigations into organised crime and money laundering, and confiscation investigations. Power to conduct a public inquiry When we identify systemic corruption with the potential to reduce public confidence in fundamental systems of public administration and government, we have the power to conduct a public inquiry. Public exposure of systemic issues allows for wider gathering of evidence and information on which to base findings and recommendations than can be achieved in a normal investigation. Limits to our powers The CCC cannot determine guilt or discipline anyone. Police officers seconded to the CCC can charge people in both crime and corruption investigations before the matters are progressed by prosecuting authorities in the courts. |

### Our corruption function

The CCC investigates reports of corrupt conduct —  
in particular, more serious or systemic corrupt conduct — affecting Queensland public sector agencies (also referred to as units of public administration). This  
corrupt conduct can come in many forms but involves using influence, information, funds or property for personal gain.

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 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.

During an investigation, the CCC may discover patterns of behaviour, out-of-date policies or ineffective legislation and can undertake prevention activities to implement change and educate the public sector and the public.

Prevention is a key tool in reducing corruption, and a fundamental focus of the CCC. A considered approach to prevention ensures that we respond to emerging issues while proactively encouraging the highest commitment to ethical behaviour across the Queensland public sector at all times. We recognise that prevention is everybody’s responsibility and undertake a range of prevention activities to engage with stakeholders including police officers, public sector agencies and the wider community.

The CCC takes a collaborative approach when engaging with stakeholders about corruption prevention, ensuring we get the right message to the right people at the right time. In addition to undertaking public sector agency audits in areas of high risk and producing advisory material to highlight areas of concern, the CCC undertakes a range of research and prevention initiatives to assist public sector agencies to develop policies and strategies to address corruption risks.

The CCC’s agile resourcing model also allows the flexibility to respond to emerging matters outside our strategic areas of focus so that we can quickly address matters of high risk or significant public interest. In some cases, these emerging issues will form the basis of an area of focus for subsequent years or become a focus within the next CCC Audit Plan.

Our prevention work, which includes specific publications and audits, encourages ongoing 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 reprioritise accordingly. The CCC also shares lessons learnt from our assessments, investigations and audits to help raise public sector awareness of emerging or persistent issues.

## Message from the Chairperson

I am pleased to present the 2019–20 Annual Report for the Crime and Corruption Commission. During the past year, the CCC has achieved excellent progress towards our vision for safe communities supported by fair and ethical public institutions, with an agency focus on those matters of highest threat to the Queensland community. Pleasingly, there have also been significant legislative changes in response to recommendations made by the CCC arising from our efforts in key focus areas in recent years.

#### Encouraging reform in local government

As the financial year came to a close, the *Electoral and Other Legislation (Accountability, Integrity and Other Matters) Amendment Act 2020* was passed by the Queensland Legislative Assembly on 18 June 2020. This legislation is part of continuing government reforms to implement recommendations from the CCC’s Operation Belcarra report, released in October 2017, containing 31 recommendations to strengthen transparency and integrity in local governments in Queensland. The Act creates new obligations for candidates, councillors, donors and the Electoral Commission of Queensland, including new and clarified conflicts of interest requirements, and forms the basis of a more stringent regulatory framework.

In keeping with our continued focus on this sector, this year the CCC undertook several investigations into local governments including an investigation into allegations of corrupt conduct relating to senior employees and councillors at the Gold Coast City Council (Operation Yabber). While no criminal charges resulted from this investigation, the CCC recommended stricter governance around the role and performance of political advisors appointed to local councils, including amendments to the *Local Government Act 2009*.

With local government elections held in March 2020, the CCC took the opportunity to deliver various activities aimed at reducing corruption risks, including prevention initiatives targeted at newly elected councillors. In March 2020, I joined the Electoral Commissioner, Independent Assessor and Integrity Commissioner to call for the 2020 local government elections to be *#FairForAll* and urged candidates to run fair, honest, transparent and legal campaigns.

In May 2020, I again partnered with the Integrity Commissioner and the Independent Assessor to provide newly elected and returning councillors and mayors with information to assist them to understand the roles and functions of the three agencies, and the obligations they have as elected officials. Due to COVID-19 restrictions the information session was held by webinar. It is encouraging that approximately 160 people from councils across Queensland tuned into the 90-minute session. The CCC also prepared a module for an online training program coordinated by the Department of Local Government, Racing and Multicultural Affairs for newly elected councillors.

#### Investigating elected officials

This year the CCC also undertook an investigation into allegations that the then Deputy Premier interfered in a Department of Education recruitment process to select the principal for the new Inner City South State Secondary College. As I have previously stated, the CCC identified some very concerning and disappointing practices during this investigation. The CCC’s report, [*An investigation into allegations relating to the appointment of a school principal*](https://www.ccc.qld.gov.au/publications/investigation-allegations-relating-appointment-school-principal), was tabled in the Queensland Parliament on 2 July 2020 and highlights systemic failures of governance, transparency and accountability in the Department of Education.

#### Focusing on misuse of information

We also continued our focus on the misuse of information in the public sector. In February 2020, the CCC’s report, [*Operation Impala – A report on misuse of confidential information in the Queensland public sector*](https://www.ccc.qld.gov.au/publications/operation-impala-report-misuse-confidential-information-queensland-public-sector), was tabled in Parliament. The report is based on the findings of a public hearing the CCC conducted in November 2019 to examine how effectively the public sector agencies responsible for police, health, transport and main roads, education and corrective services safeguard the confidential information provided to them by members of the public.The CCC made 18 recommendations designed to ensure that Queenslanders’ confidential information is less vulnerable to inappropriate access by staff of public sector agencies. This includes a recommendation for a new criminal offence for public servants who access confidential information without a lawful reason.

#### Police discipline reform

The *Police Service Administration (Discipline Reform) and Other Legislation Amendment Bill 2019* is another important legislative reform passed in Parliament this year. Last year I reported the new police discipline system was being trialled whilst awaiting changes to the legislative framework. With the new legislation now in effect, I remain confident that we will see more streamlined police disciplinary investigations, faster and more consistent outcomes being delivered, and enhanced CCC oversight of the QPS. I believe the reforms will deliver a fairer and more efficient system, which is in the best interests of everyone involved.

#### Fighting major crime

The CCC has continued to implement recommendations arising from our review of our major crime strategy last year, most notably with the development of a Matter Prioritisation Model. This model will assist in the assessment and prioritisation of requests from our stakeholders to undertake major crime investigations and confiscation action.

In terms of operational results, we have continued to see excellent results with 43 people charged with 173 criminal offences in relation to the CCC’s crime investigations. As you will note in this report, the CCC’s coercive hearings powers have been utilised to advance a number of complex and unresolved major crime investigations, in particular, to assist the QPS to progress investigations into homicides and crimes against children.

#### Building stakeholder engagement

To mark International Anti-Corruption Day in December 2019, we released a video to illustrate that crime and corruption “does not pay”; but rather, engaging in corrupt activity can have very real and devastating impacts on an individual’s life. The video, [*Carl Wulff – The Inside Story*](https://www.youtube.com/watch?v=wcn3NRk4L_k&t=846s)*,* was filmed inside Arthur Gorrie Correctional Centre while the former Chief Executive Officer (CEO) of Ipswich City Council was on remand, awaiting sentencing. I am encouraged by the CCC’s efforts to find new and innovative ways such as this prevention initiative to better inform, educate and empower our stakeholders and look forward to placing an even greater emphasis on engaging with stakeholders in the coming year.

#### Recognising our people

In what was a year that will forever be marked by the COVID-19 pandemic, I wish to recognise the professionalism and maturity of CCC staff. It is the dedication and commitment of our staff to their work that has enabled us all to continue delivering our essential services to Queenslanders.

#### Looking ahead

In the year ahead we will continue building our investigative capabilities through the delivery of our CCC Futures Workforce, Digital and Insights strategies. A focused investment in our people and their resources strengthens our ability to understand and respond to new challenges.

As an agency we value the importance information plays in understanding our operating environment. We leverage the insights gained through our research and intelligence work to develop strategies to keep us responsive in an increasingly interconnected and digital environment. In 2020–21, we will be looking more closely at our proceeds of crime work through research to measure the disruptive impacts of our proceeds of crime actions. We are also looking forward to scheduled amendments to the Criminal Proceeds Confiscation Regulation 2013which will strengthen the provisions and improve our capability to capture large cash seizures under the *Criminal Proceeds Confiscation Act 2002.*

In the coming year the Parliamentary Crime and Corruption Commission (PCCC) will undertake their five-yearly review of the CCC’s performance, functions and powers. We look forward to working with the PCCC on this important aspect of oversight of the CCC.

These projects, along with our broader focus on capability development, will assist us in focusing on those crime and corruption threats of greatest impact and harm to the Queensland community.

It gives me great pleasure to present the CCC Annual Report. Accountability for our performance is vital to achieving our purpose to promote integrity within our public institutions and combat major crime and corruption. Our Annual Report enables transparency by outlining our progress against the long-term objectives in the CCC Strategic Plan 2019–23 and shorter-term areas of focus for 2019–20.

**Alan MacSporran QC**

Chairperson

## Message from the CEO

This year has been an opportunity for our organisation to test our flexibility, innovation and resilience against the unprecedented challenge of COVID-19. Our maturing digital capabilities and the professionalism of our staff enabled us to continue to deliver services to the people of Queensland in truly challenging circumstances and lend our support toward the overall government response to the pandemic. I am proud of the way our staff responded during these uncertain times.

#### Continuing our transformational journey

The backbone of our ability to respond to this challenge was the completion of the final stage of our organisational transformation journey in October 2019 (CCC Transform). The simplified, capability-focused, service-led structure enabled our operational areas to focus on our core business, enabled by our corporate, strategic and transformative capabilities. The capabilities delivered by our Digital Workplace Program (DWP) allowed the CCC to rapidly roll out additional mobile devices, new software to enable collaboration and training to enable the majority of staff to work remotely by April 2020.

#### Our strategic approach

The next stage of the CCC’s transformation is now underway. The CCC Futures program is guiding the development of key organisational capabilities that will evolve our business in order to improve service delivery, increase efficiency and effectiveness, and better achieve our organisational objectives.

This year, we focused on our Workforce, Digital, and Insights strategies. Together, the three strategies will create an engaged workforce with the digital tools they need to make efficient insights-driven decisions. Each of the strategies include roadmaps that will guide our program of work over the next five years.

#### Investing in our people

In the past year the CCC has continued to invest in our people to develop the critical capabilities we need to serve the people of Queensland. Our areas of focus have been developing leaders at all levels, using digital technology, analytics and workforce planning. We have also continued our internal programs to promote career development and support mobility within the organisation to give our specialists the opportunity to practise their skills across other contexts.

Our workforce remains strongly engaged with the vision, purpose and work of the CCC. The results of the Working for Queensland survey have created a dialogue between leaders and their teams about how to best empower employees and support their work/life balance. I am encouraged that the strongest results from the survey are reflective of the relationships within teams (85 per cent positive) and with their leaders (77 per cent positive) as they continue to learn from and support each other.

The new Workforce Strategy developed this year provides a roadmap for future investments in our people. This is not just from a capability perspective, but also considering the employee experience and ensuring that we deliver on our employee value proposition. It puts our people at the heart of everything we do and continues our commitment to their development, growth and wellbeing.

#### Enhancing our systems, data and digital capabilities

Our ambitious program of work to deliver enhanced systems, and data and digital capabilities continued in 2019–20.

Our multi-year Digital Workplace Program supports our agency’s move towards an “as-a-service” model and a more stable and secure digital environment. This year we transitioned traditional services to a cloud environment and created five new cloud environments for future digital applications. In line with our commitment to improving the stakeholder experience, we delivered a new website to provide a contemporary digital experience that empowers, educates, and informs our stakeholders on the work of the CCC.

We also developed and implemented a digital Governance, Risk and Compliance (GRC) system to facilitate greater oversight of governance, risk and compliance functions. In 2020–21, we will commence a program of work to enhance the system, including enabling workflows for compliance obligations and policy approvals.

We continued to deliver Program Unify, a significant program of work which will improve our efficiency and effectiveness through three key elements – business improvement, case management and data analytics. The business improvement component of this program was completed in February 2020 with the delivery of a CCC-wide Operations Manual. The Operations Manual consolidates many of the CCC’s policies and procedures associated with undertaking our operational work. Importantly, it also links to functionality available in the new case management system.

The new case management system ­– Nexus ­– brings together four existing systems and will deliver significant efficiencies to our investigations. While the development of this system experienced delays to ensure a quality final product, it is now in the final stages and is scheduled for deployment by the end of 2020.

During 2019–20 the final stage of this program to evolve our data analytics capability has progressed significantly with the investigation and implementation of new tools allowing the CCC to harness data from a range of sources and extract insights to guide our work.

Moving forward, our Digital Strategy will guide our progress toward achieving our digital ambition.

#### Our staff

It goes without saying that this year has been an unexpected challenge for us all. I can proudly say that our staff have faced the changing environment with courage and resilience, working as one team to create solutions and supporting each other through the uncertainty. Without their commitment and flexibility, we would not have been able to deliver the significant change required to respond effectively to the multi-faceted challenge that is COVID-19. I speak on behalf of the entire CCC leadership team when I say thank you to our staff. Thank you for your consistent hard work, for finding the opportunities in the challenges, but mostly, for supporting each other and continuing to build a great place to work. The impacts of your commitment to fighting serious crime and reducing corruption benefit the whole Queensland community.

**Jen O’Farrell**Chief Executive Officer

## Impacts of a global pandemic

### Impacts on our operating environment

In early 2020, the COVID-19 global pandemic introduced a sudden change in the crime and corruption risk environment. The growth in cyber and financial crime has been the most visible, with various frauds and schemes focused on such things as government stimulus and relief payments, as well as sophisticated phishing and malware attacks. As legitimate operators have shifted their business models, supply and product lines, and found new markets, so too have organised criminals made the same adaptations to take advantage of new opportunities and vulnerabilities that have emerged in the crisis.

The pandemic has also created new opportunities that may be conducive to corruption, including urgent procurement or recruitment processes, the need for new vendors due to supply chain disruptions, and a large number of public sector employees shifting to work-from-home arrangements. It has also changed some of the widely acknowledged drivers for corruption risk, including unemployment, constrained opportunities for promotion, and devalued personal investments (e.g. superannuation).

Within this altered risk environment, alongside the health directives associated with COVID-19, there have been impacts on investigative methods and legal proceedings related to the CCC’s work. For instance, during the pandemic the CCC experienced:

* Reduced witness availability for investigation and hearing purposes (e.g. border or flight restrictions, prisons banning face to face visits)
* Reduced ability of our staff to travel intrastate or interstate to progress investigations
* Delays in obtaining information from some third party agencies to support investigations (e.g. statements from financial institutions due to office closures, staff working from home)
* Undertaking of flexible and agile investigative strategies and methodologies to address the behavioural changes of our community associated with health directives
* Changes in Queensland Civil and Administrative Tribunal processes, disrupting our police disciplinary reviews.

However, some changes effected through regulation have offset some of this disruption, including the  
ability to:

* conduct hearings remotely
* use digital signatures
* action tasks via electronic means.

We have been monitoring the impacts of the COVID-19 pandemic on our work. Even at this early stage of the pandemic, there are some patterns in our data that we may attribute (in full or in part) to the pandemic.

The first iscomplaints and allegations about suspected corruption. While the number of complaints received from January to June 2020 is similar to the same period in 2019, fewer complaints in 2020 were of a “medium” matter type, and more were of a “low” matter type, compared to those received in the same period in 2019. Also, there are fewer allegations per complaint in 2020, compared to the allegations per complaint in the same period in 2019. Some change in corruption complaints and allegations is expected, due to the widespread transition to working from home, and the dramatic drop in citizen interactions during the pandemic. The CCC will continue to monitor these trends to ascertain whether the nature of complaints the CCC is receiving during the COVID-19 pandemic are materially different from those received in the same period in 2019.

The second ishearing days for crime and corruption operations. Hearing activity at the CCC dropped in the first months of the pandemic (as compared to the same period in 2019), most of which is attributable to the Chief Health Officer’s health directives in the early stages of the COVID-19 pandemic.

The third ischanges in the volume of work the QPS refers to the CCC. The CCC initiates crime investigations and proceeds of crime actions based on referrals from the QPS. The number of referrals from the QPS we received between January and June 2020 was lower than in the same period in 2019. It is too early to tell whether this reduction is normal fluctuation, or if it reflects that the QPS’s efforts in the COVID-19 pandemic have reduced the volume of matters being referred to the CCC.

#### Responding to the escalating threat

Like all agencies, the CCC had to react quickly when the threat of the global COVID-19 pandemic escalated in the early part of 2020. While our primary focus was on the safety of our staff and the wider Queensland community, we also had to ensure continuity of our services while exploring new ways to safeguard (and build) our organisational resilience.

The challenge posed by such an unprecedented event also provided an opportunity for us to innovate and fast-track some of our digital business solutions that were already in development. Within only a few short weeks, the CCC deployed devices to support staff mobility across the agency, allowing many staff to work safely from home.

At the same time, the rollout of an online collaboration program (which commenced in January 2020) allowed individual staff and teams to work together easily via video and chat messages, whether in the office or working from home. This key communication tool helped staff to stay connected and to manage and share work tasks.

#### Supporting our people

A critical component of the challenge this pandemic created was how to best support our people through a time of uncertainty and stress. To this end we:

* Revised policy settings to give staff more flexibility in where and when they worked, and ensured they had sufficient access to leave if required to remain away from the workplace due to COVID-19, consistent with the relevant Queensland Government Directive
* Conducted home safety audits and provided safety equipment for people working remotely
* Launched multiple communications channels including daily emails from the CEO to ensure that people had access to the most current and accurate information when they needed it. This included advice and resources available to support our staff with their physical and mental health and wellbeing during COVID-19
* Implemented new workforce management and reporting to monitor the impacts of COVID­-19 on the workplace
* Undertook additional cleaning and hygiene promotion to maintain a COVID Safe workplace
* Stood-up a COVID-19 Incident Management Team with representatives from across the CCC who met daily to manage the response to the health crisis and ensure two-way communication with the business
* Participated in Whole of Government steering committees and communication channels to secure up-to-date information
* Revised existing Business Continuity Plans, Impact Assessments and Business Unit Response Plans to ensure they remained fit-for-purpose during the pandemic.

#### Supporting the COVID-19 pandemic response

The CCC has proudly supported the Queensland Government’s efforts in responding to the COVID-19 pandemic, redeploying 19 QPS–CCC officers, and seven civilian CCC staff to various efforts related to the pandemic. The redeployments affected 26 people from the CCC, across 14 units. Collectively, they spent 477 days redeployed from their usual duties at the CCC.

The CEO is also a member of the inter-agency Public Safety and Security Functional Recovery Group, which is concerned with the governance, planning and operational issues related to the response to, and recovery from, the COVID-19 pandemic.

## Our strategic objectives

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| Our Strategic Plan sets the strategic direction of our agency and guides our day-to-day operations. We review our strategic plan annually to ensure we remain responsive to emerging issues and challenges.  The [CCC Strategic Plan 2019–23](https://www.ccc.qld.gov.au/publications/ccc-strategic-plans) provides the foundation for this annual report as we track our progress against our two strategic objectives, and the 2019–20 areas of focus related to those strategic objectives. |

### Objective: Reduce the incidence of major crime and corruption

Our key strategies:

* Advance major crime investigations and help the QPS solve major crime by leveraging our hearing powers and targeting criminal wealth
* Remove the financial benefit and support for serious criminal offending by recovering proceeds of crime and disrupting the acquisition of criminal wealth
* Investigate and oversee investigations into serious and systemic public sector corruption and police misconduct

### Areas of focus for 2019–20:

* Illicit markets of high value or high public impact
* Crimes involving risk to, or actual loss of, life or serious injury to a person
* Crimes against children and vulnerable victims
* Corruption involving elected officials, misuse of confidential information, and exploitation of public sector resources
* Stakeholder engagement
* Critical organisational capabilities.
* Work with stakeholders to build corruption resistant public institutions through capability development, advisory, auditing and strategic intelligence services
* Inform public policy about major crime and corruption by providing independent advice to government.

### Objective: Build our organisational capability

Our key strategies:

* Develop capabilities to create a healthy, collaborative and innovative culture
* Modernise our assets, systems and processes to improve investigative outcomes
* Leverage data to become an insight-driven agency.

### Measures of success

The following sections outline our key results for 2019–20, including outcomes against our annual strategic areas of focus, and Service Delivery Standards. This includes performance information demonstrating our commitment to combating major crime and reducing corruption for the benefit of the Queensland community.

#### Our Strategic Plan

We evaluate our performance toward the objectives in the 2019–23 Strategic Plan against the following performance measures:

* Improved public confidence in the work of the CCC
* Improved investigative outcomes
* Improved stakeholder engagement
* Improved staff engagement and wellbeing
* Improved systems and analytics capability.

A snapshot of our performance toward these measures is provided on pages 20 – 21.

#### Our Service Delivery Standards

As part of the State Government Budget process, each year we prepare a Service Delivery Statement detailing the high-level service our agency provides to the Queensland community. The State Government and the CCC assess our performance using effectiveness and efficiency measures referred to as service standards.

The 2019–20 State Budget Service Delivery Statement is published online. Our service standards and results are provided on page 22.

## 2019–20 at a glance

### Objective: Reduce the incidence of major crime and corruption

**Performance measures:** Improved public confidence in the work of the CCC

Improved investigative outcomes

Improved stakeholder engagement

* Disrupted 100 per cent of targeted criminal entities as a result of crime investigations
* Added value to 100 per cent of referred crime investigations through holding coercive hearings
* Finalised 32 crime and intelligence investigations
* Restrained $8.995M proceeds of crime and finalised 39 proceeds forfeitures resulting in $7.181M proceeds of crime forfeited to the State
* Assessed 87 per cent of corruption complaints within four weeks
* Finalised 53 corruption investigations with 87 per cent resulting in significant outcomes
* Charged five people with 12 offences related to corrupt conduct by elected officials
* Charged eight people with 15 offences relating to misuse of confidential information
* Charged eight people with 84 offences relating to exploitation of public sector resources
* Tabled [*Operation Yabber: An investigation into allegations relating to the Gold Coast City Council*](https://www.ccc.qld.gov.au/publications/operation-yabber-investigation-allegations-relating-gold-coast-city-council)
* Tabled [*Operation Impala: A report on the misuse of confidential information in the Queensland public sector*](https://www.ccc.qld.gov.au/publications/operation-impala-report-misuse-confidential-information-queensland-public-sector)
* Government supported 33 recommendations in our report [*Taskforce Flaxton: An examination of corruption risks and corruption in Queensland prisons*](https://www.ccc.qld.gov.au/publications/taskforce-flaxton)
* Implementation of 31 recommendations in our report [*Operation Belcarra: A blueprint for integrity and addressing corruption risk in local government*](https://www.ccc.qld.gov.au/publications/operation-belcarra-blueprint-integrity-and-addressing-corruption-risk-local-government)through Parliament passing two legislative amendment bills

*See pages 28 – 51 for detailed information about achievements relating to this objective.*

* Completed five audits from the [CCC Corruption Audit Plan](https://www.ccc.qld.gov.au/publications/corruption-audits-2019-2020) and published four summary reports
* Made 141 corruption prevention recommendations
* Introduced procedures and processes to ensure we respect and protect human rights in compliance with the *Human Rights Act 2019*
* Progressed deliverables within our Innovate Reconciliation Action Plan
* Connected with 16 Indigenous communities to build relationships in regional areas
* Supported community events including National Reconciliation Week and NAIDOC celebrations
* Developed our Crime Stakeholder Engagement Strategy to facilitate meaningful engagement with stakeholders
* Launched our new website to empower, educate and inform our stakeholders with 426,029 total page views this year
* Improved access to information through updating the [Corruption Allegations Data Dashboard](https://www.ccc.qld.gov.au/corruption/corruption-allegations-data-dashboard) on the CCC website
* Received a Gold standard for our 2018–19 Annual Report from the Australasian Reporting Awards
* Issued a [joint communiqué](https://www.ccc.qld.gov.au/news/joint-communique-australias-anti-corruption-commissioners) with Australia’s Anti-Corruption Commissioners on International Anti-Corruption Day on 29 October 2019
* Joined with key stakeholders to issue two joint anti-corruption media releases
* Published six corruption [*Prevention in focus*](https://www.ccc.qld.gov.au/publications/prevention-focus-case-studies) papers

### Objective: Build our organisational capability

**Performance measures:** Improved staff engagement and wellbeing

Improved system and analytics capability

* Facilitated the Working for Queensland Employee Opinion Survey with 319 (84 per cent) staff responding
* Launched an intranet page containing resources to support staff and their families through COVID-19
* Launched multiple communication channels to keep staff connected and engaged
* Initiated the CCC Wellbeing Walkers group, including a special morning walk for Team CCC Day 2019
* Held 27 wellbeing activities including virtual meditation and stretching classes and a Q&A panel session on maintaining mental wellness and support options available, as part of R U OK? Day
* Held the “Great place to work” workshop where staff were invited to provide input into planning the future of the CCC
* Increased opportunities for staff engagement in strategy development including through holding an Innovation Café to help shape our response to the working for Queensland Survey results
* Encouraged a “safe to fail” environment for staff members through information sessions run by our CEO
* Recognised staff performance at the annual PAICE corporate awards ceremony
* Supported 10 staff in completing the Great Managers Program
* Engaged 36 staff in the mentoring program to share knowledge and create networks
* Launched phase two of the workforce mobility initiative to provide the opportunity for staff to develop skills in other areas
* Supported 21 staff to undertake tertiary education

*See pages 53 – 61 for detailed information about achievements relating to this objective.*

* Invested $378,019 in training and developing our staff
* Launched the CCCLearning/Professional online to provide staff access to professional development courses
* Developed the CCC Leadership Roadmap to support leadership development at all levels
* Developed CCC Career Development Pathways to assist CCC practitioners and technical specialists to develop their professional skills
* Progressed the development of an integrated case management system (CMS) to deliver efficiencies in our investigations
* Developed a consolidated CCC Operations Manual
* Completed transition to a simplified, service-led organisational structure, in line with the 1CCC operating model
* Launched a new GRC platform to facilitate greater oversight of governance, risk and compliance functions
* Launched a new CCC Police Group app to assist in meeting compliance and reporting requirements of the CCC Police Groups
* Developed new human resources and finance reporting dashboards building our analytics capability
* Enhanced our organisational resilience through the DWP
* Enhanced our remote access capabilities in response to COVID-19
* Upgraded our records management system to ensure continuity of support

## Performance information: Our Service Delivery Standards

#### S**ervice area:** Crime fighting and anti-corruption

The objective of our service area is to protect Queenslanders from major crime and corruption. The CCC makes a unique contribution to keeping our communities as free as possible of major crime and corruption through its effective investigations, complaints management and use of special powers. This work is assisted by proceeds confiscation, prevention, research, intelligence and witness protection activities.

**Notes:**

New measure introduced in 2018–19.

New measure introduced in 2019–20.

2019–20 target not achieved see page 36 for further information about impacts to timeliness of corruption investigations.

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## Other operational standards

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| Aspects of our work involve referrals from external agencies, primarily the QPS (crime investigations, hearings, proceeds of crime recovery) and units of public administration (allegations of corruption). As it’s important to remain responsive to our external stakeholders, we do not develop annual targets for all of our performance indicators. Instead we maintain a flexible resourcing model in order to focus our effort on areas of highest need. Provided below is five-year comparative data for our operational work. |

## Financial summary

This financial summary provides an overview of the CCC’s financial performance for the 2019–20 financial year and historical financial information for the previous five financial years. A more detailed view of the CCC’s financial performance for 2019–20 is provided in the Financial Statements on page 80.

### Overview

The CCC’s financial result for 2019–20 was a surplus of $286,000. The surplus is mainly due to timing adjustments in expenditure incurred on the development of the new CMS and the Digital Workplace Program (DWP) and time taken to fill positions that were vacated during the year and fully funded by government in 2019–20.

### Revenue

Total revenue for 2019–20 was $65.545M, increasing  
by 10.48 per cent or $6.214M from the 2018–19 financial year.

The CCC is funded for our outputs through grant funds received from the Queensland Government comprising 97.53 per cent of total revenue for 2019–20 (compared to 96.99 per cent in 2018–19)

During the 2018–19 financial year, the Queensland Government committed the following additional funding for the 2019–20 financial year:

* $3.6M ($3.9M per annum ongoing from 2021–22) to enhance the processing of digital evidence and intelligence and provide various computer applications under DWP
* $1.8M ($1.9M per annum ongoing from 2021–22) for additional frontline investigators
* $0.8M to continue the development of a new CMS
* $0.9M per annum until 2019–20 to fund the criminal intelligence hearings team.

The State Government grant revenue includes provision for enterprise bargaining increases and is supplemented by interest earnings on cash reserves and other general revenue receipts including staff car parking income and gains on sale of plant and equipment.

The CCC also receives non-cash contributions in relation to the provision of police staff for operational support from the QPS and archival services from the Department of Housing and Public Works. In accordance with government policy, the CCC recognises these services both as revenue and expenditure only if the services would have been purchased, had they not been donated, and if their fair value can be measured reliably.

**Figure 1:** Financial results 2015–16 to 2019–20 ($ million)

### Expenditure

Total expenditure for 2019–20 was $65.259M, an increase of 10.40 per cent or $6.144M from the  
2018–19 financial year. Employee expenses are the CCC’s most significant category of expenditure comprising 70.16 per cent of total expenditure or $45.785M. Employee expenditure increased by 8.52 per cent or $3.594M over the previous year.

Supplies and services expenditure comprised 24.27 per cent of total expenditure for 2019–20. The CCC spent $15.833M for supplies and services in 2019–20, compared to $13.494M in 2018–19. This is an increase of 17.34 per cent or $2.339M from the previous year, and is mainly due to information technology and contractor costs required to deliver the new CMS and various computer applications under the DWP.

Payments for office accommodation are the highest category of supplies and services expenditure at $4.062M or 25.66 per cent of total supplies and services expenditure. Consultants and contractors for various services are the second highest category of expenditure at $3.584M or 22.64 per cent, followed by information technology hardware and software at $1.947M or 12.30 per cent and telecommunications and access costs at $1.370M or 8.66 per cent.

All other expenditure remained relatively consistent with the previous financial year. Refer to Note 5 of the Financial Statements for further details of supplies and services expenditure.

### Financial position

#### Capital acquisitions

The CCC invested $2.778M on capital acquisitions during the 2019–20 financial year compared to $2.853M in 2018–19, mainly as part of the ongoing CMS, DWP and asset replacement and maintenance program in accordance with the CCC’s Asset Strategic Plan. A full breakdown of capital acquisitions can be found in Note 8 of the Financial Statements under the intangible assets and property, plant and equipment reconciliations.

#### Assets

As at 30 June 2020, CCC total assets were valued at $25.308M compared to $24.190M in 2018–19, an increase of $1.118M from the previous year. The increase is mainly due to equity contributions from Queensland Government to fund the CMS and DWP.

#### Liabilities

As at 30 June 2020, the CCC’s liabilities were valued at $3.518M compared to $5.765M in the previous year. This is a decrease of $2.247M or 38.98 per cent and relates mainly to a decrease in Trade Creditors and a reduction in the amount payable for wage reimbursements compared with 30 June 2019.

#### Net equity

Equity increased by $3.365M or 18.27 per cent and is due to a $2.592M equity injection from government to fund capital works, the $0.286M operating surplus for the 2019–20 financial year and an equity adjustment as a result of the new leasing standard implemented on 1 July 2019.

#### Current ratio

As at 30 June 2019 the CCC’s current ratio is 5.20 (against a minimum benchmark of 1.0). Current ratio indicates the financial health of an entity – its ability to meet short-term debts.

**Figure 2:** Revenue and Expenditure

## Looking ahead

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| To support the delivery of our services and further our longer term strategic objectives we intend to deliver the following activities in 2020–21. |

### Objective: Reduce the incidence of major crime and corruption

* Develop a corruption strategy
* Undertake a risk assessment of money laundering in Queensland
* Conduct a research project to measure the disruptive impacts of our proceeds of crime actions

### Objective: Build our organisational capability

* Amend CCC human resource policies and industrial instruments to create competitive and attractive employment conditions
* Rebuild the CCC recruitment and selection process to focus on candidate experience
* Upgrade CCC ICT infrastructure
* Develop a CCC Integration Strategy
* Optimise the CCC’s new cloud-based technology services
* Transition new digital applications (Police Group Application, Digital Governance Risk and Compliance Platform) to business as usual
* Build cloud-based data and insights infrastructure
* Introduce a secure and sustainable cloud-based storage solution for the Forensic Computing Unit
* Implement a new digital operating model
* Create an information technology and operational technology roadmap
* Develop an enterprise architecture blueprint
* Deliver the Nexus case management system
* Finalise a new QPS Secondment Policy
* Review the CCC’s Telecommunications Interception Capability

*Due to the impacts of COVID-19, the 2020–21 Queensland State Budget had not been delivered at the time of reporting. The planned activities will be reviewed following the delivery of a Queensland State Budget and adjusted as required.*

# Reducing crime and corruption in Queensland

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| --- | --- |
| **Key strategies:**   * Advance major crime investigations and help the QPS solve major crime by leveraging our hearing powers and targeting criminal wealth * Remove the financial benefit and support for serious criminal offending by recovering proceeds of crime and disrupting the acquisition of criminal wealth * Investigate and oversee investigations into serious and systemic public sector corruption and police misconduct * Inform public policy about major crime and corruption by providing independent advice to government * Work with stakeholders to build corruption resistant public institutions through capability development, advisory, auditing and strategic intelligence services | |
|  |  |
| **Focus area | Illicit markets of high value or high public impact** | 28 |
| **Focus area | Crimes involving risk to, or actual loss of, life or serious injury to a person** | 32 |
| **Focus area | Crimes against children and vulnerable victims** | 34 |
| **Focus area | Corruption** | 36 |
| **Focus area | Stakeholder engagement** | 48 |

## Focus area | Illicit markets of high value or high public impact

The CCC is concerned with illicit market activity that enables or involves the commission of serious and organised criminal offending, produces significant financial returns for those involved and delivers the most devastating impacts on Queenslanders, their families and community.

High value or high impact illicit markets include firearms trafficking, cybercrime, organised fraud, organised child sexual exploitation, and the distribution of illicit drugs. The latter of these markets is one of the most pervasive and recognised, causing serious health and social ramifications by increasing disease, mental illness, mortality, criminal offending, road trauma, and the economic cost for healthcare, law enforcement and the productivity of our communities.

Organised crime groups of all kinds are heavily involved in illicit market activities, coordinating and connecting individuals, resources and investment, with many participants based overseas or having strong overseas links, and access to global supply chains through international networks and facilitators. National and international responses are required to adequately deal with these threats.

Sophisticated business models, specialised systems and expertise are needed for organised crime groups to operate effectively. These include identity crime and corruption, the use of digital technologies and systems, and encrypted communications. Money laundering is one of the most significant and widespread enablers of organised crime and the use of professional facilitators provides organised crime groups with the critical expertise needed to hide their activities and conceal the profits by disguising financial transactions and protecting criminally acquired wealth.

The CCC’s response to this area of focus includes:

* partnering with other law enforcement and intelligence agencies to investigate and disrupt criminal organisations
* undertaking intelligence focused investigations to enhance understanding of criminal organisations and opportunities to disrupt them
* undertaking investigations focused on identifying and seizing criminal assets and proceeds.

Due to the impact of crimes relating to illicit markets upon the broader Queensland community, this area of focus will remain a priority for the CCC in 2020–21.

### Crime investigations

The CCC may undertake our own major crime investigations or may support other law enforcement investigations by contributing specialised financial and business analysis capabilities, or through the use of the CCC’s special powers, including our hearings power.

Our major crime investigation focus for illicit markets is on the systems and expertise that enable criminal networks to build and thrive. During 2019–20, the CCC commenced six major crime investigations focused on illicit markets, with seven investigations finalising in the same period. As a result of those investigations, 42 people were charged with 172 offences including drug possession, supply and trafficking. Some of these charges were in connection with operations in which the CCC assisted the QPS.

In 2019–20 the CCC held 52 days of hearings and examined 53 witnesses to support and advance investigations by the CCC or the QPS that were focused on illicit markets. These investigations included:

* **Operation Romeo Vatic:** An investigation concerning a criminal network associated with the Gold Coast chapter of an Outlaw Motor Cycle Gang which had been engaged in the production and trafficking of methylamphetamine, MDMA and cannabis, and the regular transport of methylamphetamine from Sydney to the Gold Coast. The CCC examined five witnesses over four days and gathered evidence about who was involved in the network and the particular methodologies used by the network to avoid detection.
* **Operation Quebec Zing:** An investigation concerning a large-scale hydroponic production and trafficking of cannabis by a Brisbane criminal network using a network of “grow houses”. The CCC examined five witnesses over nine days and gathered significant evidence against the head of the network and the methodologies used to conceal multiple cultivations across several properties. As a result of the investigation 20 persons were charged with over 110 offences.
* **Operation Papa Acclaim:** An investigation concerning an organised criminal network engaged in cocaine trafficking in regional South East Queensland and alleged to be controlled by a prisoner from a Brisbane correctional centre. The CCC examined 12 witnesses over seven days and was successful in identifying the network’s methodologies and coded communications. The hearing also obtained evidence in relation to the shooting of one of the persons involved in the network and the identity of a person alleged to have been involved in the importation of cocaine. One witness who refused to answer certain questions during his examination was sentenced in the Supreme Court to seven months imprisonment for contempt of the CCC.

### Intelligence operations and activities

Our specific intelligence operations and other intelligence activities enable us to use our powers, including our hearings power to assess and better understand the criminal activities in which organised crime groups and their participants are suspected of being involved, the methodologies and adaptions used by them to avoid detection by law enforcement, and to identify avenues for their productive investigation.

In 2019–20 the CCC finalised one specific intelligence operation focused on illicit markets, and undertook eight days of hearings in which eight witnesses were examined. The matter finalised concerned an investigation into violence and damage to property suspected to be related to Outlaw Motor Cycle Gang activities. The investigation produced more than 30 intelligence reports, 25 of which were disseminated to relevant State and Commonwealth law enforcement agencies and joint taskforces.

The CCC also finalised intelligence assessments into three high-threat criminal networks, including:

* **Project Whippet:** An assessment of a network alleged to be involved in distributing methylamphetamine and firearms in South East Queensland. The assessment produced 15 intelligence reports including those which were referred to the QPS to inform current investigations.
* **Project Morse:** An assessment concerning participants in organised crime networks allegedly being assisted by a facilitator to avoid detection by law enforcement. The assessment informed subsequent commencement of a larger operation.
* **Project Valida:** An assessment of a group alleged to be involved in drug trafficking in South East Queensland. The assessment produced six intelligence reports which were referred to the QPS and another interstate police service to support a current investigation.

This year the CCC also commenced two intelligence operations – one, following from Project Morse, examines the involvement of a communications provider in facilitating the criminal activities of a number of crime networks, and the other investigating a Brisbane-based drug trafficking network engaged in the importation and trafficking of multiple drugs to other drug networks.

Recovering the proceeds  
of crime

Recovering the proceeds of crime removes the financial benefit and support for serious and organised crime. This makes it a key prevention strategy of the CCC. The forfeiture of criminal assets not only reduces the incentive for engaging in criminal activity, but it also disrupts the business model for the criminal activity by preventing the reinvestment of illicit profits to support the ongoing enterprise.

The CCC receives referrals from the QPS and other law enforcement agencies to consider taking confiscation action under the *Criminal Proceeds Confiscation Act 2002* and may itself initiate proceeds of crime investigations and associated confiscation action. Table 1 provides a summary of all restraining orders and forfeitures that were made in relation to CCC confiscation matters including matters that concerned illicit market activities.

In 2019–20, the CCC assessed 99 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 88.39 per cent of new matters considered for proceeds of crime action. In the same period, proceeds action related to illicit markets resulted in 51 restraining orders being obtained over assets valued at more than $8.698 million and 38 proceeds forfeitures valued at over $7.035 million.

As at 30 June 2020, the CCC had 91 active proceeds of crime cases related to illicit markets, with 56 cases restrained worth over $26.218 million in assets.

**Table 1**: Summary of restraining orders and forfeitures made in 2019–20

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | No. of matters assessed for confiscation action | No. of restraining orders | Total value restrained | No. of forfeitures orders | Total value forfeited to the State | Per cent of total value forfeited to the State |
| All CCC confiscation matters | 112 | 53 | $8,994,886 | 39 | $7,181,107 | 100% |
| Illicit market confiscations | 99 | 51 | $8,697,622 | 38 | $7,035,328 | 98% |
| Methylamphetamine confiscations | 57 | 24 | $4,516,628 | 23 | $3,072,152 | 43% |
| Confiscations related to Outlaw Motor Cycle Gangs | 20 | 8 | $1,111,317 | 6 | $2,729,215 | 38% |

### Crime research program

Proceeds of Crime units, including the one at the CCC, aim to disrupt illicit drug markets through the confiscation of property and funds. Confiscations are thought to work as a deterrent and punishment for those participating in illicit drug markets. However, debate exists as to how to best measure the effectiveness of proceeds of crime actions. Common practice is to measure the impact of proceeds of crime actions by comparing the amounts confiscated to operational costs to determine whether there is an overall financial benefit. However, some believe an index of potential impacts of disrupting reinvestment may provide a more representative measure of the effectiveness of proceeds of crime actions.

This year the CCC completed a project that produced a confidential research report on the business need for a proceeds of crime impact measure.

The report identified four approaches to measuring proceeds of crime action impacts. The feasibility of developing measures under each of those approaches was assessed against the capability and capacity of the CCC to undertake the work, the availability of the necessary data, and the cost. Two of the approaches were considered feasible and the CCC will commence a project to develop a measure in line with one of those approaches in 2020–21.

### Action on Ice update

The Queensland Government’s *Action on Ice* plan commenced in 2018 and reflects $105 million investment over five years to reduce the supply, demand and harms from ice (methylamphetamine) use. The CCC is committed to supporting the Queensland Government’s plan by prioritising our investigations into high-threat criminal networks that are trafficking ice into Queensland. By disrupting these networks and removing the financial benefit of the sale of ice, we reduce the supply of this dangerous drug.

In 2019–20 the following operational activities were undertaken in relation to matters involving methylamphetamine supply:

* Commenced three investigations (Operation Romeo Vatic, Operation Romeo Kazoo and Operation Romeo Amata)
* Finalised three investigations: Operation Accadia, Operation Papa Acclaim and Operation Romeo Vatic
* Examined 23 witnesses over 17 days
* Obtained 24 restraining orders with an approximate value of $4.52 million
* Concluded 23 proceeds recovery actions resulting in approximately $3.01 million forfeited.

## Focus area | Crimes involving risk to, or actual loss of, life or serious injury to a person

The unlawful killing of another is the most serious offence in Queensland, attracting a maximum life sentence of imprisonment, which is mandatory in the case of murder. Offences causing death, or serious and permanent injury or disability, cause enormous grief to victims and their families, and are detrimental to the wellbeing and sense of safety of the community. They include serial or premeditated, violent sexual offending. Loss of life or serious injury as a result of terrorist activity unfortunately remains a real threat for Queenslanders.

Offenders often act alone but not always, and frequently offending involves domestic violence or organised crime. Offences of this kind that are difficult to solve are often the most complex crimes, are premeditated or highly planned, and involve multiple motivated suspects. CCC’s coercive hearing powers are particularly effective in assisting the QPS in meeting these challenges.

Crimes which cause serious injury or loss of life have a devastating impact on families and the broader community. As we can contribute significantly in the progression of these investigations, this will remain an area of focus for the CCC in 2020–21.

### Crime investigations

The QPS may seek the assistance of the CCC to help solve serious violent crimes and if needed, the CCC is able to respond to these requests at an early stage of a police investigation. We also undertake a large body of work in support of cold case murder investigations.

During 2019–20, the CCC commenced 17 investigations focused on crimes involving loss of life or serious injury to a person, with 17 investigations finalised this year.

The CCC held 95 days of hearings and examined 101 witnesses in relation to homicides and other serious violent crimes. These investigations included:

* **Operation Kilo Footwork 2:** In a cold case matter, the CCC held a hearing in relation to the disappearance and suspected murder of a woman at a property near Aratula in 2012. Although the primary suspect for the murder is now deceased, an associate had been identified as having removed and disposed of items from the crime scene, including an old mattress. The associate was called to a hearing in February 2020 and they confirmed that they had been asked by the suspect to remove various items from the property, although they maintained that they did so without any knowledge or suspicion of the woman’s demise.
* **Operation Papa Senator 2:** Between October 2019 and February 2020, several witnesses were examined in relation to the stabbing murder of a 35-year-old man at Kuraby in October 2017. The hearing resulted in four previously uncooperative witnesses providing statements to police, strengthening the case against the man charged with this murder.
* **Operation Romeo Assertion:** The CCC held a hearing in relation to the non-fatal random shooting of an 18-year-old man in Surfers Paradise in June 2019. Three previously uncooperative eyewitnesses gave evidence identifying the shooter and describing his conduct. As a result the alleged offender was able to be charged for this offence.
* **Operation Romeo Mabble:** In late 2019, a hearing was held in relation to the suspected homicide of a 45-year-old man at Hervey Bay in September 2019. The man had been “king hit” outside a residence and later died of his head injuries. Uncooperative witnesses who were present at the crime scene were questioned about the circumstances of the assault and then provided statements to police. The alleged assailant was then charged with murder.
* **Operation Romeo Venator:** The CCC assisted in the investigation of the fatal shooting of a young woman while visiting the home of an Outlaw Motor Cycle Gang member in the Gold Coast hinterland in September 2019. The police investigation had not clearly established the identity of the shooter or the whereabouts of the firearm which had been removed from the crime scene before the arrival of police. Examinations were held over 14 days from October 2019 to March 2020. The hearing succeeded in identifying relevant witnesses, obtaining evidence of the circumstances of the shooting and the identity of the person who disposed of the firearm.
* **Operation Jupiter:** In late 2019, eight witnesses were questioned in a hearing as part of the cold case investigation of the strangulation murder of an 89-year-old man disturbed in his home at Runaway Bay in 1992. The hearing was successful in identifying an item of evidence taken from the crime scene and confirming evidence against the primary suspect. In February 2020, the primary suspect was charged with the man’s murder.
* **Operation Romeo Vatic:** The CCC assisted in the investigation of the murder by blunt force trauma of a 24-year-old pregnant woman at her home in Crestmead in September 2019. Her former de facto partner had been charged with her murder. In March, an associate of the defendant was called to a hearing after they expressed reluctance in providing information to police. The witness proved to be cooperative and provided information relating to the nature of the relationship between the defendant and the deceased and a possible motive for the assault.
* **Operation Romeo Trave:** In April – May 2020, a person was called to a hearing for questioning in relation to the murder by blunt force trauma and suspected strangulation of a 31-year-old pregnant woman at her home in Raceview in December 2019. Another man, who was the de facto partner of the deceased, had already been charged with the murder. The witness had been uncooperative with police and was suspected of possibly providing assistance to the defendant post-offence. At the hearing they proved to be cooperative and was able to explain satisfactorily their interactions with the defendant. The witness has since agreed to provide a statement in relation to the matter.
* **Operation Harvard:** The CCC was involved in a QPS investigation into the alleged murder of three young people in October 1978. The victims, who each had died of a gunshot wound, had been travelling together on an outback holiday when their bodies were found in a remote location just outside Mount Isa. The following month a male person was charged with stealing one victim’s motorcycle after it was found in his possession, but otherwise a suspect for the murders could not be identified. A CCC hearing was convened over two days in 2019 and two witnesses were examined, including one person who had been living interstate. The examinations assisted to test the credibility of the two witnesses and identify some further circumstantial evidence. At the conclusion of the hearing a man was arrested and charged with three counts of murder. Eight persons, who had previously been uncooperative with police, also provided statements.

## Focus area | Crimes against children and vulnerable victims

Serious crimes against children and persons vulnerable by reason of old age, or physical or mental impairment are a priority for the CCC, and our coercive hearing powers may be engaged by the QPS to solve or prevent these crimes. They include homicide and grievous bodily harm, whether through violence, maltreatment or neglect, torture and crimes involving serious or organised child sexual exploitation.

Beyond the immediate implications of death and serious physical, cognitive and emotional injury, these crimes have enormous and immediate long-term impacts on victims, their families and communities, and lasting social and economic consequences.

Crimes against the vulnerable can be particularly difficult to prevent, detect or solve through conventional methods of enquiry or investigation. Offending often occurs out of sight, physical or forensic evidence is likely to be compromised or destroyed, and because offenders are often those who care for, or have authority over the victim, more than one suspect may be involved, and witnesses may be unwilling to cooperate with authorities out of fear, or because of their relationship with the offender.

The CCC has the capability to provide significant impact in investigating crimes against children and vulnerable victims. As a result, this will remain an area of focus for the CCC in 2020–21.

### Crime investigations

The QPS may seek the assistance of the CCC to help solve crimes involving the death, serious injury or sexual abuse of children and other vulnerable victims.

During 2019–20, the CCC commenced seven investigations in relation to crimes against children and vulnerable victims, with seven investigations finalising in the same period.

The CCC held 23 days of hearings and examined 31 witnesses in relation to crimes against children and vulnerable victims. These investigations included:

* **Operation Quebec Saffron:** Between November 2019 and January 2020, the CCC called multiple witnesses to a hearing in Cairns and Brisbane to investigate the death of a 13-month-old baby boy in September 2018. The child had died of methylamphetamine toxicity and suffered extensive bruising, bite marks and broken bones. Police had charged the baby’s mother with manslaughter, torture and indecent treatment of a child. The hearings resulted in important additional evidence being obtained to assist in this prosecution.
* **Operation Romeo Fuschia:** In September 2019, the CCC assisted in the investigation of the death of an eight-month-old baby boy at Ipswich in June 2019. The baby died of suspected dehydration and malnutrition while in the care of his mother and her partner. A twin brother who was found in the same condition was able to be brought back to health through medical treatment. Examinations undertaken were able to identify the level of care given to the twin boys in the weeks leading up to the death, and actions taken by individuals to dispose of evidence prior to the arrival of police.
* **Operation Romeo Security:** A hearing was held in October 2019 as part of the investigation of the alleged grooming and repeated rape and other sexual offences by a foreign national against a teenage girl over a period of several years. The offences were alleged to have occurred within Queensland and overseas. The purpose of the hearing was to obtain passwords to various encrypted devices suspected to contain relevant evidence. The hearing achieved this purpose and relevant evidence was discovered.
* **Operation Romeo Tertiary:** In March 2020, the CCC held a hearing to aid in the investigation of the murder of a two-year-old girl whose body had recently been located buried near a weir in Chinchilla. The child was born in September 2014 but had not been seen since December 2016. Over time the mother had given multiple and inconsistent accounts as to the whereabouts of her daughter. Police had charged the child’s mother and her partner with murder, torture and interfering with a corpse. A close family member was called to a hearing and provided additional information to that which they had earlier given to police about statements made by the defendants concerning the circumstances of the child’s disappearance.
* **Operation Sierra Bathos:** In April 2020, the CCC held an urgent hearing, with examinations occurring in Brisbane and Maroochydore, concerning grievous bodily harm done to a three- week-old baby girl on the Sunshine Coast several weeks earlier. Medical evidence suggested that the baby had been subjected to a “baby shake” and had sustained permanent and life-threatening injuries. The baby’s 28-year-old mother was the sole suspect. Numerous friends and relatives of the mother who had been living or associating with her in the weeks since the baby’s birth were examined as to their observations of the mother’s interactions with the baby, and key evidence was obtained. In April 2020 the mother was charged with one count of grievous bodily harm.
* **Operation Terne:** The CCC was involved in a QPS investigation into the alleged torture and grievous bodily harm of a two-year-old girl who presented at the Toowoomba Base Hospital in November 2018 with fractures to her shin, thigh and arm. The shin fracture was older than the other two and healing. The fractures to the thigh and arm were considered to be around five days old, likely to have occurred at the same time and as a result of high impact force that would have caused immediate pain and affected use of the limbs. The mother of the child and her partner were not able to explain how the injuries may have occurred. A CCC hearing was undertaken in Brisbane over three days, during which five witnesses were examined. The hearing resulted in information confirming the time-frame of the injuries and who may have inflicted at least the arm injury. Statements were also obtained from two previously uncooperative witnesses, supporting other evidence arising from the police investigation. Police continue to pursue lines of enquiry in relation to the matter.

## Focus area | Corruption

The CCC investigates reports of corrupt conduct — in particular, more serious or systemic corrupt conduct — affecting Queensland public sector agencies. In 2019–20, we focused on three high-risk corruption areas:

* **Elected officials**
* **Misuse of confidential information**
* **Exploitation of public sector resources**.

Overall in 2019–20, the CCC received 3,327 complaints of suspected corruption involving 8,726 allegations. In comparison to 2018–19, this represents a 7 per cent increase in the number of complaints received. We assessed a total of 3,435 complaints, which represents a decrease of 2 per cent compared to 2018–19. In general, the number of complaints and allegations has been increasing across the past five years.

In addition to this, several investigations finalised this year (and which had been commenced in previous financial years) have been protracted and complex, especially those relating to the local government sector which accounted for 42 per cent of our corruption investigations. This resulted in an increase in the time taken for us to finalise the investigations. In 2019–20, we finalised 51 per cent of our corruption investigations within 12 months. This is below our Service Delivery Standard target of finalising 85 per cent of investigations within 12 months and is a decrease in performance compared to 2018–19 (80 per cent). However, we did finalise 74 per cent of our investigations within 18 months. When investigations relating to the local government sector are excluded, we finalised 72 per cent of investigations within 12 months.

In 2019–20, the CCC finalised 53 investigations which resulted in the charging of 22 people with a total of 112 criminal offences relating to corruption.

Through our investigations we identify opportunities to reduce corruption through prevention activities including making recommendations for reform, releasing targeted communications, undertaking audits and sharing publications. These activities can be broadly focused anti-corruption messages applicable to all our focus areas, or specific messages aimed at a certain area of corruption.

In 2019–20, we undertook the following prevention activities with a broad application to all our focus areas:

* In January 2020, following changes to the *Crime and Corruption Act 2001*, we updated [*Corruption in focus: a guide to dealing with corrupt conduct in the Queensland public sector*](https://www.ccc.qld.gov.au/publications/corruption-focus) and published two new fact sheets.
* In March 2020, we released a practical guide, [*How to classify matters of corrupt conduct pursuant to section 40 directions*](https://www.ccc.qld.gov.au/publications/assessments-section-40-directions), after the identification of instances where agencies were not correctly applying this section of the *Crime and Corruption Act 2001.* This section sets out how and when particular matters must be reported to the CCC. This guide was based on our findings from an earlier audit reviewing whether agencies have been correctly assessing complaints.
* In June 2020, we published two Prevention in focus papers: [*When does workplace bullying reach the threshold for corrupt conduct?*](https://www.ccc.qld.gov.au/publications/when-does-workplace-bullying-reach-threshhold-corrupt-conduct)and [*Current and emerging corruption risks: opportunities to detect, intervene and prevent corruption*](https://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/Prevention-in-focus-Current-and-emerging-corruption-risks-v2.pdf) to educate the broader public sector on these corruption related matters.

Further information about our prevention work specific to our areas of focus can be found on pages 39–41, 44 and 47.

In 2020–21, we are planning on undertaking an audit to review the assessment of corrupt conduct under sections 15, 16 and 40A of the *Crime and Corruption Act 2001*. This audit will evaluate the effectiveness of agencies’ assessments of complaints about corruption and examine whether assessment decisions made by the QPS to not take action about a complaint until after a court hearing, on the basis that it is “interwoven with court”, have been appropriate.

### Elected officials

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

Improving integrity, accountability and transparency in Queensland’s local government sector has been an area of focus for the CCC since 2018–19. During this time, our investigations have exposed a number of significant and systemic corruption risks. It is expected that the combined impact of our focused investigative, preventative and educational work will improve policy and legislation and increase awareness therefore reducing the incidence of corruption by elected officials.

This area will remain a focus of the CCC in 2020–21 as there is still more work to be done in this area, particularly in the local government sector. In addition to conducting and monitoring investigations, the CCC will continue to influence the improvement of governance and culture in local government authorities.

**Table 2:** Elected officials – complaints, allegations and investigations

|  |  |  |  |
| --- | --- | --- | --- |
| **Year** | **No. of complaints** | **No. of allegations** | **No. of CCC investigations commenced1** |
| 2019–20 | 170 | 345 | 10 |
| 2018–19 | 235 | 444 | 17 |
| 2017–18 | 212 | 584 | 34 |
| 2016–17 | 158 | 413 | 31 |
| 2015–16 | 122 | 272 | 4 |

Notes:

* + - 1. An investigation can encompass multiple allegations against multiple persons and vary in complexity.

### Corruption investigations

Each year, the CCC receives hundreds of complaints of corrupt conduct relating to elected officials, with many complaints comprising multiple allegations. Each allegation of corrupt conduct is assessed by the CCC based on its merits. Those that progress to an investigation will either be investigated directly by the CCC or referred to another agency for investigation with oversight by the CCC.

As the CCC only investigates serious or systemic corruption, only a small proportion of complaints result in investigations by the CCC. Complaints against elected officials accounted for approximately 42 per cent of the CCC’s overall corruption investigations in 2019–20. The most common allegations investigated related to misuse of authority, misappropriation and conflicts of interest. Complaints against elected officials decreased by 28 per cent in 2019–20 when compared to the previous year.

Since the introduction of elected officials as an area of focus, we have finalised 43 investigations resulting in 18 people (including five mayors) being charged with 40 criminal offences related to corruption.

During 2019–20, 10 new investigations commenced regarding the actions of elected officials across six separate councils and the Queensland Parliament. We also finalised 22 investigations and referred five matters to the reporting agency to investigate subject to monitoring by the CCC.

Significant outcomes during 2019–20 included:

* Investigation Dugong: A protracted investigation into allegations of corrupt conduct relating to the Moreton Bay Regional Council including allegations of official corruption, misconduct in public office, abuse of office, fraud and conflicts of interest. The investigation examined a variety of documents and interviewed a large number of witnesses resulting in the CCC jointly charging a councillor and a local businessman with the criminal offence of official corruption. In December 2019, the CCC additionally charged the then Mayor with two criminal offences relating to his private ownership of a parcel of land located within the electorate.
* Investigation Corsair: An investigation into allegations of corrupt conduct within the Doomadgee Aboriginal Shire Council. The investigation commenced after the CCC received a large number of separate complaints about the council, CEO and some elected officials. The investigation focused on a range of allegations including misconduct in public office, abuse of office, fraud and failure to declare and manage conflicts of interest. During the early stages of the investigation, the council terminated the employment contracts of both the CEO and Director of Corporate Services, with both subsequently departing the community.  
  In February 2020, a 59-year-old man from Western Australia was extradited to Brisbane to face fraud, forgery and stealing offences arising from the investigation. This matter is still before the courts.

**Table 3:** 2019–20 Summary of outcomes – elected officials

|  |  |
| --- | --- |
| **Description** | **Number** |
| Investigations commenced | 10 |
| Investigations finalised | 22 |
| People charged | 51 |
| Criminal charges laid | 122 |
| Reviews commenced | 10 |
| Reviews finalised | 15 |
| Referred to a unit of public administration as a disciplinary matter | 5 |
| Referred to a unit of public administration to investigate subject to monitoring by the CCC | 1 |
| Prevention recommendations | 32 |

Notes:

1. Includes two persons who are not members of a unit of public administration and includes one person where the CCC has referred a matter under s49(2)(a) of the *Crime and Corruption Act 2001* to the Office of the Independent Assessor recommending consideration of prosecution under the *Local Government Act 2009*.
2. Includes seven charges against a person who is not a member of a unit of public administration and includes one charge where the CCC has referred a matter under s49(2)(a) of the *Crime and Corruption Act 2001* to the Office of the Independent Assessor recommending consideration of prosecution under the *Local Government Act 2009*.

### Corruption prevention

This year we aimed to influence the improvement of governance and culture in local government authorities through the release of publications, webinars and recommendations for reform.

In 2019–20, we utilised new technologies to engage with our stakeholders, specifically catering for those who are regional and remote.

#### State Government reform

In 2019, the CCC completed an assessment of allegations relating to a Minister’s perceived conflict of interest between their official duties and the acquisition of a private property. The CCC did not commence an investigation into these allegations. However, during the assessment process we identified areas for legislative reform and areas to improve Cabinet’s decision-making processes.

The CCC made five recommendations to Parliament to address these corruption risks.

We also commenced an investigation in December 2019 into allegations that a Minister interfered in the selection process of a school principal. The allegation was unsubstantiated. However, through the investigation the CCC discovered some concerning practices by the selection panel and other departmental officers which demonstrated systemic failures of governance, transparency and accountability. We tabled our report, [*An investigation into allegations relating to the appointment of a school principal*](https://www.ccc.qld.gov.au/publications/investigation-allegations-relating-appointment-school-principal)*,* in the Queensland Parliament on 2 July 2020.

#### Local government reform

##### Operation Belcarra

In 2017, we released our report[*Operation Belcarra – A blueprint for integrity and addressing corruption risk in local government*](https://www.ccc.qld.gov.au/public-hearings/operation-belcarra-reforming-local-government-queensland) detailing 31 recommendations to improve transparency and integrity in Queensland’s local government sector. This year the Queensland Parliament continued to implement reforms in response to these recommendations by passing a number of amendment bills.

##### Operation Yabber

Operation Yabber identified the risks involved when political staff and advisors inappropriately interfere  
in council business and do not effectively manage conflicts of interest. In January 2020, our public report relating to this investigation was tabled in Parliament and included recommendations for amendments to the *Local Government Act 2009* to ensure stricter governance and accountability in local government including:

* clarifying the responsibilities of mayors and councillors
* ensuring mayoral directions cannot be used to undermine the authority of Chief Executive Officers to carry out their responsibilities.

##### Community discretionary funding programs

In March 2020, we finalised our investigation into allegations of corrupt conduct relating to a councillor’s use of discretionary funds from the Lord Mayor’s Suburban Initiative Fund. Whilst this investigation did not substantiate any allegations, it did reveal the need for improved transparency, and clarification of the responsibilities of all individuals involved in this community discretionary funding program.

The CCC has written to the Chief Executive Officer of the Brisbane City Council recommending a number of procedural improvements for the Lord Mayor’s Suburban Initiative Fund which would apply to all existing and any future community discretionary funding programs.

##### Conflicts of interest

In February 2020, we finalised our investigation into allegations of mismanaged or undisclosed conflicts of interest impacting on Moreton Bay Regional Council’s Service Level Agreement with Moreton Bay Region Industry and Tourism Ltd.

The allegations were not substantiated, however, the CCC did identify a pattern of behaviour increasing the risk of corruption. To address this, the CCC made three recommendations to the Moreton Bay Regional Council to increase awareness of responsibilities and improve transparency:

* Discontinue private meetings before council meetings because it lacks transparency and has the potential to influence council decision-making
* Provide additional training to councillors and senior staff in the appropriate management and declaration of conflicts of interests, particularly when there is an insufficient number of councillors to reach a quorum on a matter before council
* Distribute an internal communique to councillors and staff when entering into a Beneficial Enterprise Agreement to explain the process and to improve transparency.

#### Audits

This year the CCC undertook an audit examining the conduct of councils and councillors in the use of discretionary funds, with a particular focus on the management of risk and probity.

The audit identified 11 areas for improvement and made an overall recommendation to move funds into specific community grants programs instead of having funds at the discretion of councils.

To help all councils in Queensland improve their corruption prevention activities, in October 2019 we published a summary audit report titled[*Probity in councillors’ use of councillor discretionary funds: An audit of councils and the local government department*](https://www.ccc.qld.gov.au/publications/corruption-audits-2018-2019)*.*

We advised in our last annual report that our audit examining councillors’ interests and use of information from within our [Corruption Audit Plan 2017–19](https://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/Corruption-audit-plan-2017-2019.pdf) was delayed pending the enactment of legislation. This audit has been cancelled due to the Office of the Independent Assessor’s work in capacity building/prevention for local government entities. The Queensland Integrity Commissioner and the Office of the Independent Assessor have developed a meeting aid and conflict of interest framework to assist councillors to make good decisions. There is also an aid for councillors to determine material personal interests and an aid to assist councillors to determine when they have a duty to report another councillor’s interest.

#### Communications

In 2019–20, we undertook a number of activities aimed at reducing corruption risks relating to this focus area, including publications and direct contact with the public and public sector agencies.

Drawing on insights from our investigations, we released three Prevention in focus papers:

* Following our audit into councillors’ use of discretionary funds, we identified a need to educate the public sector more broadly about the corruption risks associated with the use of discretionary decision-making powers. To achieve this we published[*Discretionary decision-making powers: identifying potential corruption risks*](https://www.ccc.qld.gov.au/publications/discretionary-decision-making-powers-identifying-potential-corruption-risks)in March 2020.
* Perceived or actual conflicts of interest are a common factor within corrupt conduct and corruption allegations. Public sector employees, including elected officials, have a responsibility to manage conflicts of interest effectively. However this responsibility is commonly misunderstood or misapplied. To educate public sector employees in this responsibility we released [*Personal relationships, professional boundaries: how to manage potential corruption risks*](http://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/Prevention-in-focus-Personal-relationships-professional-boundaries-how-to-manage-potential-corruption-risks.pdf)in April 2020.
* Elected officials attempting to interfere in processes without proper authority can have serious consequences. To increase understanding of roles and responsibilities in local government, we published [*Role clarity in councils: understanding the respective roles of Mayor and CEO*](http://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/Prevention-in-focus-Role-clarity-in-councils.pdf) in June 2020.

Poor recordkeeping practices have been identified as both an enabler for corrupt conduct and a hindrance during investigations. In partnership with Queensland State Archives (QSA), we released two publications:

* In July 2019, we jointly released [*Council records: A guideline for mayors, councillors, CEOs and council employees*](https://www.ccc.qld.gov.au/publications/council-records-guideline-mayors-councillors-ceos-and-government-employees) which sets out the requirements for managing public records in a council setting.
* In April 2020, we jointly released [*Public records: Advice for all employees of a public authority*](https://www.ccc.qld.gov.au/publications/public-records-advice-all-employees-public-authority)*,* which was aimed at the public sector more broadly detailing the requirements and benefits of effective recordkeeping. We also released an associated video on this topic.

Our agile resourcing model allows us to quickly respond to emerging risks and connect directly with the public and public agencies to reduce corruption risks. In 2019–20 we undertook the following activities to reduce corruption risks:

* Producing a [video](https://www.youtube.com/watch?v=wcn3NRk4L_k&t=846s), released on our YouTube channel, demonstrating the personal impacts of engaging in corruption as experienced by former Ipswich City Council CEO Carl Wulff who was charged with corruption as a result of the CCC’s Investigation Windage
* Joining with the Office of the Independent Assessor and the Integrity Commissioner to facilitate a live-stream webinar to newly elected mayors and councillors around Queensland. This was subscribed to by 61 per cent of councils (47 of 77 councils). The 90-minute webinar covered matters including managing conflicts of interest, councillors’ obligations regarding their registers of interest, and steps to ensuring that a council has a robust framework to manage and deal with corruption and misconduct
* Joining with the Electoral Commission of Queensland, the Office of the Independent Assessor and the Queensland Integrity Commissioner in the lead up to the 2020 local government elections to encourage candidates to conduct honest campaigns that were fair for all involved
* Joining with Australia’s other anti-corruption Commissioners to issue a joint media release addressing practical measures to detect, expose and prevent corruption through building a strong anti-corruption culture and raising awareness of protections for those who call out corrupt conduct.

### 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 private use or benefit, either for themselves or another person. 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 misuse of confidential information continues to be an ongoing issue in the public sector, this area will remain a focus of the CCC in 2020–21.

**Table 4:** Misuse of confidential information – complaints, allegations and investigations

|  |  |  |  |
| --- | --- | --- | --- |
| **Year** | **No. of complaints** | **No. of allegations** | **No. of CCC investigations commenced1** |
| 2019–20 | 923 | 1495 | 6 |
| 2018–19 | 603 | 1060 | 9 |
| 2017–18 | 492 | 762 | 15 |
| 2016–17 | 459 | 710 | 21 |
| 2015–16 | 438 | 713 | 22 |

Notes:

* + - 1. An investigation can encompass multiple allegations against multiple persons and vary in complexity.

### Corruption investigations

Misuse of confidential information continues to be a significant corruption issue facing the Queensland public sector. In 2019–20, the CCC received 923 complaints relating to the misuse of information, representing 28 per cent of all complaints received, with 260 (28 per cent) of those complaints related to QPS officers.

During 2019–20, six new investigations commenced regarding the release of confidential information by officers of the QPS. Over the 12 months, nine investigations were finalised with eight persons charged with 15 criminal offences. A further eight recommendations for disciplinary action were made.

Significant outcomes during 2019–20 included:

* **Investigation Broadsheet:** A joint CCC and QPS Ethical Standards Command investigation into allegations concerning the release of protected information (related to surveillance device material). The complex investigation led to the charging of a detective who is alleged to have requested a media outlet to assist with an unauthorised investigative strategy and also released protected information relating to ongoing investigations. The detective was charged with two counts of Misconduct in Public Office and one count of Prohibition on Communication or Publication of Protected Information. The matter is currently before the courts.

**Table 5:** Summary of outcomes - misuse of confidential information

|  |  |
| --- | --- |
| **Description** | **Number** |
| Investigations commenced | 6 |
| Investigations finalised | 9 |
| People charged | 8 |
| Criminal charges laid | 15 |
| Reviews commenced | 110 |
| Reviews finalised | 116 |
| Referred to a unit of public administration as a disciplinary matter | 21 |
| Referred to a unit of public administration to investigate subject to monitoring by the CCC | 79 |
| Prevention recommendations | 38 |

Notes:

1. Two persons referred on eight disciplinary recommendations.

### Corruption prevention

This year we harnessed our prevention capabilities to effect change aimed at reducing the inappropriate access to, and misuse of, confidential information in the public sector.

In 2019–20, we conducted research including holding public hearings to gather information and educated the public sector about this issue.

#### Recommendations for reform

##### Operation Impala

There have been several instances in recent years of public sector employees accessing personal information without a legitimate reason. In response to this, the CCC launched Operation Impala in August 2019 to examine improper access and dissemination of information within units of public administration.

In November 2019, the CCC held a public hearing examining how and why this issue is occurring, using case studies to identify opportunities for reform. In February 2020, the CCC tabled in Parliament its report from the public hearing, [*Operation Impala – A report on misuse of confidential information in the Queensland public sector*](https://www.ccc.qld.gov.au/publications/operation-impala-report-misuse-confidential-information-queensland-public-sector)*,* which included 18 recommendations designed to enhance the protections of personal data held by the Queensland public sector. This included recommending a new criminal offence that would make it easier to prosecute information breaches.

#### **Communications**

In line with our focus on the misuse of information within public sector agencies, this year the CCC released several corruption prevention publications.

In May 2020, coinciding with Privacy Awareness Week, the CCC published the [*CCC Guide to assessing allegations about misuse of confidential information*](https://www.ccc.qld.gov.au/publications/ccc-guide-assessing-allegations-about-misuse-confidential-information). This guide aims to help public sector agencies identify and manage matters involving the suspected misuse of confidential information and to remind public servants of their responsibility to manage confidential and personal information in line with privacy and other laws.

Through our investigations we also identified a practice whereby confidential information was protected through the use of non-disclosure agreements in public sector agencies. We identified these agreements could be used to attempt to cover-up of wrongdoing either through misuse of the agreements by agencies or misunderstanding of the agreements by public sector employees. To provide education on this topic, in February 2020 we released the Prevention in focus paper [*Use of non-disclosure agreements – what are the corruption risks?*](https://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/Prevention-in-focus-Use-of-non-disclosure-agreements-what%20are-the-corruption-risks-2020.pdf)

### Exploitation of public sector resources

The exploitation of public sector resources has the potential to adversely impact all Queenslanders. When property or funds are diverted to a use that is not relevant to the performance of an agency’s functions, this comes at a cost whereby other critical goods and services are not able to be provided by the agency. The types of conduct that are measured under this area of focus include misappropriation (fraud), stealing and like offences.

Using official resources appropriately is fundamental to public sector employees’ legal and ethical obligations to act in the public interest, as mandated in the *Public Sector Ethics Act 1994*. Employees are required to use and manage public resources effectively, efficiently and economically. Poor management or misuse of official resources is a breach of public trust, and may result in disciplinary action or prosecution.

The resources most at risk include public funds, IT and communication technology, vehicles, plant, equipment and premises, consumables and fixed or movable assets, surplus and obsolete assets, allowances and other entitlements and work time.

In 2019–20, the CCC received 437 complaints about public sector resources being misused. This currently accounts for 13 per cent of all complaints received. These complaints related to public sector agencies including councils, government departments and schools.

As the exploitation of public sector resources continues to be an ongoing issue in the public sector, this area will remain a focus of the CCC in 2020–21.

**Table 6:** Exploitation of public sector resources – complaints, allegations and investigations

|  |  |  |  |
| --- | --- | --- | --- |
| **Year** | **No. of complaints** | **No. of allegations** | **No. of CCC investigations commenced1** |
| 2019–20 | 437 | 675 | 5 |
| 2018–19 | 452 | 816 | 15 |
| 2017–18 | 390 | 647 | 12 |
| 2016–17 | 338 | 470 | 13 |
| 2015–16 | 359 | 506 | 7 |

Notes:

1. An investigation can encompass multiple allegations against multiple persons and vary in complexity.

### Corruption investigations

During 2019–20, 18 investigations were finalised resulting in eight persons being charged with 84 criminal offences.

Significant outcomes during 2019–20 included:

* Investigation Unbound: A joint investigation with the Department of Education into allegations that employees and contractors were allegedly defrauding government funds from the Department. Commencing in 2018, the CCC conducted approximately 70 interviews, five search warrants, examined a variety of financial transactions and assessed a large amount of digital data. The CCC charged a senior officer with committing frauds of $30,360 and $362,626 and attempting to dishonestly gain $2,500 whilst employed by the Department. Another employee was charged with committing a fraud of $30,360 and attempting to dishonestly gain $2,500 whilst employed by the Department. Three contractors were also charged, the first with committing frauds of $33,000 and $77,000, the second with committing fraud of $30,360 and attempting to dishonestly gain $2,500 and the third with committing fraud of $362,636.
* Investigation Rebind**:** An investigation into allegations of corrupt conduct within the Palm Island Aboriginal Shire Council which identified systemic issues regarding the recording of information and governance processes which created an environment in which corrupt conduct could emerge and flourish. The complex investigation involved the gathering of intelligence from over 400 sources, the interview of over 130 witnesses, the execution of 180 warrants/notices, the examination of many gigabytes of electronic data and the conduct of financial investigations which analysed thousands of transactions. The investigation to date has resulted in the charging of several high-level employees of the council, including the former Mayor and other associated persons, with the alleged commission of serious offences over a number of years including misconduct in public office, payment and receipt of secret commissions and 84 counts of fraud.

**Table 7:** Summary of outcomes – exploitation of public sector resources1

|  |  |
| --- | --- |
| **Description** | **Number** |
| Investigations commenced | 7 |
| Investigations finalised | 18 |
| People charged | 82 |
| Criminal charges laid | 843 |
| Reviews commenced | 35 |
| Reviews finalised | 39 |
| Referred to a unit of public administration as a disciplinary matter | 4 |
| Referred to a unit of public administration to investigate subject to monitoring by the CCC | 32 |
| Prevention recommendations | 59 |

Notes:

1. Some of the matters above are also captured and reported under Table 3: 2019–20 Summary of outcomes – elected officials.
2. Includes one person who is not a member of the QPS or a unit of public administration.
3. Includes one charge against a person who is not a member of the QPS or a unit of public administration.

### Corruption prevention

To progress the outcomes of our investigations into exploitation of public sector resources, we have conducted audits to broaden our understanding and released publications to highlight specific corruption prevention lessons to public sector managers, staff  
and others.

#### Audits

Following on from our 2016 investigation into research fraud by two researchers from the University of Queensland, in 2019–20 we undertook an audit designed to evaluate measures that three Queensland universities had implemented to mitigate the risk of research fraud. Given the significant value of the research grants Queensland’s public universities received from Commonwealth and State Governments, identifying factors encouraging and enabling this offence, as well as building the capability to defend against it is an important task. We released a summary audit report, [*Reducing the risk of research fraud*](http://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/Summary-audit-report-Reducing-the-risk-of-research-fraud-2020.pdf)*,* designed to highlight the lessons learned and assist other agencies to deal with similar issues.

An increasingly significant area where there is opportunity for public sector resources to be misused is through timesheet and leave processes. Following a substantial increase in 2018–19 in allegations of timesheet and leave fraud, in 2019–20 the CCC decided to audit five agencies with increased risk of this type of corruption due to their work patterns or location. The audit identified five key areas for improvement and related prevention recommendations. We published a summary audit report, [*Managing corruption risks associated with timesheet and leave activitie*](http://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/Summary-Audit-Report-Managing-corruption-risks-associated-with-timesheet-and-leave-activities-2020.pdf)*s*, to assist all agencies in the Queensland public sector to better understand and defend against this type of corruption.

We will continue to use our audit capability in 2020–21 to identify areas where public money is being inappropriately used within the public sector. There are two audits planned, one of local government procurement, and one of gifts and payments from industry.

Building upon our 2019 audit relating to procurement within Queensland Health, our planned audit of local government procurement processes will review selected councils’ procurement practices to identify if the correct regulations are being followed to ensure government money is spent fairly and transparently.

Our planned audit into gifts and payments from industry is focused on the receipt of benefits by workers within the healthcare industry. The government spends significant funds in the healthcare industry and there is an expectation that staff within this industry act in the best interests of their patients, free from any external influence. This audit aims to assess the management of and controls for reporting gifts and benefits by government-funded healthcare professionals.

## Focus area | Stakeholder engagement

Early and effective engagement with public, community and government stakeholders is important to the CCC. Our key stakeholders include complainants, law enforcement agencies, and units of public administration, as well as Queenslanders living in urban and remote communities.

Through a focus on stakeholder engagement we are able to achieve:

* Improved understanding of the CCC’s functions, and of the ways stakeholders can communicate with us
* Early identification of issues, reduced conflicts, and ability to tailor solutions to stakeholder concerns
* Improved reputation and relationships with organisations and the community
* Greater transparency of processes and opportunities for external opinions to be heard
* Enhanced ability to consider the interests and concerns of key stakeholder groups
* Improved access to knowledge, expertise, and perspectives of others including people in the local communities.

To effectively communicate with key stakeholders, the CCC undertakes various engagement activities including radio interviews, webinars, media releases, reports and guides. Our aim is to progressively enhance our engagement activities so that the CCC’s stakeholders are informed, educated and empowered to act appropriately in the circumstances which they find themselves. Ultimately, we are focused on ensuring all our stakeholders always have the information they need, when they need it.

### Crime Stakeholder Engagement Strategy

In 2019–20 the CCC developed a Stakeholder Engagement Strategy for our crime related functions with a view to enabling and sustaining meaningful engagement with stakeholders that creates value in our crime work. Our strategy is to integrate stakeholder engagement into our processes for decision-making for our crime work at all levels so  
that we:

* understand and respond appropriately to stakeholder issues and concerns (to improve transparency and accountability)
* manage strategic risk (to respond effectively to change and pressure in our operating environment)
* learn from our stakeholders (to improve our processes, identify material issues for operational success and develop innovative solutions and responses to them)
* pool resources, capabilities and solve problems (to achieve outcomes with our stakeholders that we could not achieve alone).

Our Stakeholder Engagement Strategy identifies who our stakeholders are (and why) and the purposes for, and processes by which, we engage with them. The methodology developed uses a systematic approach to a three-part stakeholder assessment that involves stakeholder mapping, identifying appropriate levels of engagement for each stakeholder, and developing a comprehensive stakeholder management plan.

The strategy also identifies how we monitor and evaluate the value of our stakeholder engagements and the overall objectives of the stakeholder engagement strategy, how we document and report on outcomes, and continuously improve our stakeholder engagement processes.

The Crime Stakeholder Engagement Strategy will be implemented from 1 July 2020. We will continue developing and maturing our stakeholder management plan and integrating stakeholder learnings into our strategic planning and the way we perform our  
crime functions.

### Prioritising crime matters for assessment by the CCC

In 2019–20 the CCC also developed a Matter Prioritisation Model (MPM) for our crime related work, to assist our assessment and prioritisation of requests from our stakeholders, and other opportunities to undertake major crime investigations, confiscation action and related projects.

The MPM facilitates an assessment of the priority that is to be given to a matter based on public interest and stakeholder value criteria. Stakeholder value has two aspects: the importance of the matter to our key stakeholders, and the value of the matter to the CCC, having regard to our strategic objectives, areas of focus, operational and business plan commitments. The MPM criteria are considered holistically but there must always be a sound public interest rationale for the CCC’s involvement in a matter and proper consideration of relevant human rights.

Following application of the MPM as part of an initial assessment of a matter, if an investigation or other action is approved, the MPM continues to be applied during the CCC’s regular case and project reviews to ensure there is a strong rationale for our ongoing involvement in a matter and the appropriate level of priority it is given. The way in which the MPM was applied is also re-considered as part of the CCC’s post- operational and project assessment processes.

The MPM supports the CCC’s governance and oversight committee responsibilities, and informs the co-ordination of our crime work through our engagement with multi-stakeholder operational management committees, including:

* **the QPS Operational Review Committee –** reviews, prioritises and de-conflicts serious and organised crime operations undertaken by the QPS and the CCC
* **the QPS Operational Resource Committee –** prioritises resources and considers emerging serious and organised crime risks and issues
* **the Queensland Joint Management Committee (and associated sub-committees)** – coordinates cooperation between member Queensland and Commonwealth law enforcement agencies on serious and organised crime strategies within Queensland.

The MPM was implemented as a pilot between March and June 2020 and will be fully implemented from 1 July 2020.

### Engagement with the QPS

With representatives from the CCC and the QPS Ethical Standards Command, the Joint Assessment and Moderation Committee (JAMC) aims to improve the timeliness and consistency in internal investigations of serious complaints against QPS officers. In 2019–20 the JAMC assessed 95 complaints.

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.

This year the JAMC also implemented recommendations arising from the evaluation of the JAMC process. As part of the CCC’s continuous business development, the Commission determined to review JAMC processes and procedures. This was instigated to ensure that the JAMC was achieving its fundamental aims and that it was reflective of the needs of all of our stakeholders. The JAMC process and procedures were evaluated by the CCC research portfolio which conducted a structured review of JAMC using contemporary research methodologies.

#### The outcome of the review was that four recommendations were made. The primary recommendation was that the JAMC was of such a significant value to its stakeholders, and was integral to the police discipline reform model, that it should continue. The remaining recommendations were to improve the recording and the timeliness of key decisions, and internal governance by splitting JAMC into two specific tiers. These recommendations have now been fully implemented into the JAMC decision making model.

#### Investigation Consultation Process

The Investigation Consultation Process (ICP) is the second tier of the JAMC process. Since its commencement in 2017, the ICP has enabled 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 2019–20, 11 meetings were held in relation to 18 matters.

### Enhancing accessibility to the CCC’s services and information

The CCC is committed to enhancing access to and understanding of our services and information. Throughout this year, we have implemented a range of initiatives to enhance the experience of the Queensland community when accessing CCC information.

To enhance the accessibility of information about our work, the CCC launched a refreshed website in September 2019. The new website delivers an enhanced digital experience for our stakeholders. The contemporary experience includes a mobile and tablet-friendly design to make accessing information about the CCC easier.

In December 2019, the CCC launched a [YouTube channel](https://www.youtube.com/channel/UCmkYI2wABDiCzZJh4Hx6KMg/videos) to provide access to videos relevant to the CCC’s work. As at 30 June 2020, there are 13 videos currently available on this channel, including an interview with the previous CEO of Ipswich City Council Carl Wulff, discussing the impact of being charged with corruption offences.

This year we further contributed to our agency’s commitment to transparency by updating the public [Corruption Allegations Data Dashboard (CADD)](https://www.ccc.qld.gov.au/corruption/corruption-allegations-data-dashboard). The CCC receives complaints about corrupt conduct from members of the public and public sector agencies, and many of these complaints contain multiple allegations. When aggregated, allegations data provides useful and transparent information about corruption in Queensland.

The CADD is a tool which provides members of the public and public servants with the ability to view CCC corruption allegations data, learn about the number and types of matters received by the CCC, and identify agencies related to the allegations.

### CCC Innovate Reconciliation Action Plan

In 2019, the CCC strengthened our long and ongoing relationship with Aboriginal and Torres Strait Islander shire councils, organisations, communities and individuals by developing and gaining endorsement of our inaugural [Innovate Reconciliation Action Plan (RAP)](https://www.ccc.qld.gov.au/publications/reconciliation-action-plan-2019-2020).

Our vision is to partner with Aboriginal and Torres Strait Islander peoples to form lasting relationships based on mutual trust, respect and understanding in order to support our commitment for all Queenslanders to feel safe in the communities  
in which they live.

Since launching our RAP, the CCC has remained committed to achieving the objectives of the plan. The CCC RAP provides a framework to advance the CCC’s contribution to reconciliation by developing and implementing strategies to build respectful relationships and create meaningful opportunities with Aboriginal and Torres Strait Islander peoples.

##### RAP outcomes in 2019–20

The Innovate RAP covers January 2019 to December 2020 and includes 15 action areas with more than 70 deliverables. The current focus is on raising awareness of the CCC RAP within our agency, increasing staff participation in events supporting reconciliation, and developing and implementing an Engagement Plan. This plan will guide our commitment to work in partnership with the Aboriginal and Torres Strait Islander communities to ensure our services are culturally responsive and safe and equally accessible to everyone.

As of 30 June 2020 more than 80 per cent of RAP initiatives are either completed or underway. Key initiatives delivered in 2019–20 included:

* Becoming a member of the Career Trackers program, offering a summer and winter internship to an Indigenous student to promote Aboriginal and Torres Strait Islander staff employment pathways at the CCC
* Becoming a member of Supply Nation, a network that supports Indigenous businesses and helps agencies develop sustainable and effective supplier diversity programs
* Delivering a new award within the annual staff PAICE Awards to recognise staff for their contributions to reconciliation, with over 60 staff members receiving team and individual nominations
* Continuing to engage with internal and external stakeholders to build on existing relationships and foster greater understanding of contemporary and historical issues impacting Aboriginal and Torres Strait Islander peoples
* Establishing a NAIDOC and National Reconciliation Week Committee to guide the CCC’s involvement and contribution to these important events.

##### Engagement

Participation in our Chairperson’s “listening tours” continues to support the CCC’s commitment to reconciliation by providing a forum to develop and maintain mutually respectful relationships with councils and organisations in regional areas. During these visits, CCC representatives meet with councils and community organisations to discuss the role of the CCC, to promote ways to work better together in remote and regional areas and to learn about law and justice issues affecting the community.

In August 2019, our Chairperson together with the Director Intelligence and our Indigenous Advisor visited Bamaga and New Mapoon, meeting with representatives from the Northern Peninsula Area Regional Council and other local community organisations as part of this program. This visit enabled us to enhance our understanding of the challenges facing the council members and enabled the community to enhance their understanding of our prevention efforts.

In response to the COVID-19 travel restrictions, we ceased visiting remote communities in person and began engaging online. We intend to continue the listening tours once the restrictions are eased.

# Building our organisational capability

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| --- | --- | --- | --- |
| **Key strategies:**   * Develop capabilities to create a healthy, collaborative and innovative culture * Modernise our assets, systems and processes to improve investigative outcomes * Leverage data to become an insights driven agency | | | |
|  |  | | |
| **Focus area | Critical organisational capabilities** | | 53 |

## Focus area | Critical organisational capabilities

Last year we reported the CCC had identified ten critical capabilities to focus on developing to ensure we continue to deliver our services efficiently and effectively. As a result, critical organisational capabilities became an area of focus for 2019–20. Throughout this year, we have demonstrated our commitment to positioning our agency for the future through developments aimed at improving our workplace capabilities and the capabilities of our staff.

### Developing our people

We are focused on our people as we believe the commitment, skills and values of our staff are central to delivering the outcomes of the CCC. We are committed to making the CCC a great place to work. We aim to develop inspirational leaders who react well in stressful situations, support and collaborate with their peers and team members, and exhibit sound judgement. We want staff to be proud to be part of the CCC and to be recognised and valued for the work that they do.

### Focusing on wellbeing

The work of the CCC can sometimes be challenging, and we remain committed to enhancing the wellbeing of our staff. Wellbeing is a key issue, and we strive to ensure that our staff are happy, productive and motivated at work.

The key challenge for the CCC in 2019–20, like all organisations, has been the COVID-19 health crisis. Through this event the CCC has maintained a high level of communication with our staff to provide them with timely, accurate and factual information. The CCC has also used digital platforms to keep our people socially connected while physically distant.

Since August 2017 we have partnered with Converge International to provide our Employee Assistance Program. Converge International supplies a confidential personal coaching and counselling service which can be accessed through self-referral or management referral. CCC staff can access up to four sessions per year (per issue) for themselves or an immediate family member. The CCC actively promotes the services of Converge International through the 1CCC Induction Program and published online materials. The CCC also maintains a regulated and proactive psychological assessment program for our staff members deemed at risk of psychological injury as a result of the work they undertake.

### Growing our inclusive culture

In 2019–20, the CCC’s Values and Culture Group continued to lead initiatives to embed and support our organisational values of People, Accountability, Integrity, Courage and Excellence. One of these initiatives was Team CCC Day. Team CCC Day is a day to reflect on the 1CCC values, and in particular the CCC’s “People” value by celebrating our people and our teams. This year marked our fourth Team CCC Day. Team CCC Day was held on 20 September 2019. Various activities open to all staff members were hosted by teams and divisions to promote collaboration and social cohesion. Another initiative is the Values Playbook. The Values Playbook continues to support new and emerging leaders to encourage values-based behaviours. The guide provides practical suggestions for integrating the CCC’s values and values-based behaviour into the day-to-day operations of teams and to develop a positive and productive workplace culture.

As a modern workplace, the CCC strives to create a work environment that fosters and supports inclusion and diversity. We already enjoy strong representation of women in leadership roles as well as robust gender equity at all levels of the organisation within our permanent, non-police workforce. A key element of the CCC’s RAP (see pages 50–51) is the commitment to improving employment outcomes for Aboriginal and Torres Strait Islander peoples within the CCC. Already the RAP has led to the concurrent advertising of all CCC roles on Indigenous job boards as well as the SmartJobs site, and the inclusion of specific language in role descriptions and advertising to encourage Aboriginal and Torres Strait Islander peoples to apply for our roles. Cultural Awareness training has also been undertaken across the CCC in an effort to support the process of building cultural competence. Future efforts will focus on entry pathways for Aboriginal and Torres Strait Islander peoples as well as leveraging what we have learned to support the employment of other under-represented groups such as people living with disability, people from culturally and linguistically diverse backgrounds, and LGBTIQ+ people.

### Supporting ethical conduct

The CCC’s Code of Conduct provides guidance to staff on appropriate behaviour consistent with the principles outlined in the *Public Sector Ethics Act 1994*:

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

These principles underpin the values detailed in our strategic plan. New staff are provided with the CCC Code of Conduct upon commencement and complete an eLearning module in their first week of employment. Existing staff complete regular refresher training. Our CCC’s Governance Framework also outlines the values, attitudes and behaviours expected of all CCC staff.

The CCC’s policy framework is derived from the Code of Conduct and the standards established for the broader public sector through the directives issued by the Public Service Commission and the Office of Industrial Relations. Policies relevant to specific areas of fraud and corruption risk such as procurement and recruitment and selection are also subject to mandatory training modules prior to the use of the delegations provided in those policies.

### Engaging with our people

#### Consultative forum

We engage with our people formally through a consultative committee with participation from both CCC staff and management. Both our Chairperson and Chief Executive Officer are active members of this committee which meets regularly to raise and discuss industrial or employee relations issues.

#### Working for Queensland employee opinion survey

Each year, the Working for Queensland Survey measures workplace climate and in 2019–20 was conducted from 2 to 30 September 2019. In total, 319 staff members (84 per cent of our headcount) participated in the survey. A participation rate as high as this provides confidence that the responses are accurately reflective of the workplace climate.

There was a general fall against all workplace factors in 2019 when compared to the 2018 Working for Queensland Survey results. Understanding what was occurring in the CCC prior to the administration of the survey helps to contextualise these results.

The 2019 survey was conducted during CCC Transform, the agency’s service-led restructure. As a result of CCC Transform, many staff members experienced changes to their division, their leader, their team and their role. The CCC was also implementing a number of significant organisational improvement projects during the survey period, which required significant input from a large number of people across the CCC. While additional resources were dedicated to supporting the delivery of these projects, a significant level of engagement needed to occur with our staff, as is the norm with significant transformational projects.

For some, experiencing change can be challenging, destabilising and disruptive, and may have negatively impacted their views of the CCC and how they felt about their jobs at the time of the survey. These results highlight some of the inherent difficulties in the change process and the broader environmental context the CCC was experiencing when the survey was conducted.

Importantly, even in the context of significant change and despite the decline in results when compared to the previous year, the CCC results generally remained stronger than other public service offices and the Queensland public sector.

At an agency-wide level, three priorities were set in response to the results of the Working for Queensland survey:

1. To communicate the Commission’s strategic direction more effectively
2. To explore a “safe-to-fail” concept within the context of section 329 of the *Crime and Corruption Act 2001* and the requirements to notify suspected improper conduct
3. To enable more of our staff to work flexibly and remotely to assist in managing work/life balance.

Priorities were also developed at the divisional level to address specific concerns.

A range of actions were then undertaken at both agency-wide and divisional levels to respond to the results of the survey:

* The CCC Futures program allowed for greater participation in the strategy development process, especially for middle managers. This allowed middle managers to better understand and contextualize the strategies for their teams.
* The CEO launched a program of education sessions to demystify the section 329 process and help create a “safe-to-fail” environment. This program was then included in the induction program to assist in driving cultural change.
* The COVID-19 pandemic provided the catalyst for the CCC to accelerate our adoption of a range of digital technologies and flexible work practices. The experience allowed our staff and their managers to explore how remote working in particular can work successfully within the agency.

Ensuring that our staff feel engaged, secure and able to achieve work/life balance is critical to achieving our strategic objectives. The Executive Leadership Team (ELT) will continue to take appropriate steps to address agency-wide priorities and individual ELT members will continue to deliver their divisional action plans in response to the Working for Queensland survey.

The next Working for Queensland survey will be conducted in September 2020.

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| Recognising our staff The CCC’s online staff recognition tool— PAICE (*People, Accountability, Integrity, Courage, Excellence*)— allows staff to thank and recognise their peers who have demonstrated the 1CCC values of People, Accountability, Integrity, Courage and Excellence. PAICE helps bring the CCC’s values to life and encourages an inclusive, engaged and professional workforce. The 1CCC PAICE awards were held in July 2020 with staff across the CCC recognised for their work and commitment within 2019–20 to the CCC’s values.  A total of 128 individuals and 60 teams were recognised by their peers via PAICE over the last year. 2019–20 PAICE Award Winners People – Wendy Klynsmith, Corporate Services  Accountability – Rebecca Schultz, Corporate Services  Integrity – Kerry Werninghaus, Operations Support  Courage – Alasdair Watson, Corruption  Excellence – Renee Robertson, Operations Support  All-Rounder – Bernard Li, Corporate Services  Team – Physical Surveillance Unit, Operations Support |

### Workforce mobility

The second phase of the Workforce Mobility Initiative was successfully launched in December 2019, following on from the initial program which commenced in 2018. This second phase was focused on internal mobility for lawyers, financial investigators and intelligence analysts. The program provides technical specialists with the opportunity to work in different areas of the organisation and develop their skills across a range of contexts, which in turn helps to develop our organisational capability and resilience. The program allows for at-level transfers within the CCC to support individual capability development, increase the breadth of experience of our staff, and ensure the CCC lives our 1CCC values.

### Developing a workforce strategy

This year, the CCC developed a workforce strategy by combining learnings from desktop research and benchmarks with insights gained through a series of workshops, interviews and surveys with our staff at all levels.

By assessing the gap that exists between the desired future state set by the workforce ambition and goals and the current state analysis, an initiative roadmap was developed. This roadmap defines and prioritises the activities that should be undertaken over the next five years in order for the CCC to achieve our workforce ambition of “keeping ahead of the game” to reduce crime and improve the integrity of public institutions.

Five focus areas are expected to have the greatest impact on achieving the workforce ambition:

* Building adaptive leaders at all levels that are able to drive change and lead in any context
* Continuing to enhance the employee experience to deliver a purpose-led, distinctive workplace
* Accessing, developing and retaining a highly diverse workforce
* Providing the right tools and standardised core workforce practices
* Ensuring that the CCC remains poised to respond to the challenges it faces in reducing crime and improving the integrity of public institutions, in an operational and organisational sense.

### Learning and development initiatives

The CCC offers employees professional and developmental experience and support. This year the CCC helped 21 staff undertake tertiary study by granting study leave and providing financial assistance toward course fees. Courses being undertaken by our staff include Bachelor of Law, Bachelor of Counter Terrorism Security and Intelligence, Bachelor of Criminology and Justice, and certified practising accountant/chartered accountant programs.

To assist staff with their ongoing professional development and to ensure that specialist staff maintain and enhance their skills, CCC staff were given opportunities to attend a range of workshops, seminars and conferences on topics including government law, investigative interviewing and leadership in intelligence. We also reimbursed 28 staff between 50 and 100 per cent of their professional membership fees.

Learning and development expenditure was reduced this financial year as a result of the COVID-­19 pandemic. During this period many training providers and conference organisers cancelled public courses and events for which staff were scheduled, or would normally attend. We remain committed to supporting learning and development opportunities for staff, and are positioned to do so once COVID-19 restrictions are lifted.

#### Staff induction

The CCC delivers a quality induction program to provide staff with the knowledge they require to do their job effectively, along with an understanding of how their role aligns with the priorities of the agency. New staff receive comprehensive information about the 1CCC values, culture, and strategic and operational priorities when they first commence work at the CCC. During their first week, new staff members undertake a range of mandatory eLearning programs covering topics such as the Code of Conduct, workplace health and safety and information security. This is followed by a quarterly corporate induction program, hosted by the Values and Culture Group, which provides an opportunity to meet and hear from senior leaders across the organisation.

#### Supporting leadership development

In September 2019 the CCC launched our revised performance management approach. Using the sector-wide Leadership Competencies for Queensland, an online system was designed to streamline and simplify performance and development conversations. The resulting Performance and Development Agreement process was designed to ensure that our staff have clarity of what good performance looks like in their roles and are supported to achieve their goals by making targeted and relevant investments in their development. The launch of this system was complemented by an education campaign to get the most out of the performance conversations for both managers and staff.

Further, to support the development of our leaders, over the past year 10 CCC leaders completed the “Great Managers” program. This 12-month program facilitated by the Institute for Public Administration Australia focused on developing practical leadership skills for frontline and middle managers. The participants found the program to be very useful and applicable to their roles.

Following the success of previous years, in late 2019 the CCC commenced the third round of our 1CCC Mentoring Program. The program provides an effective way of transferring skills and knowledge, contributing to career development and growth, and growing awareness of different perspectives and ways of doing business. This year, 36 mentors and mentees from across the CCC participated in the program with 81 having participated overall since the program’s launch in 2017.

In addition, the CCC launched the following initiatives designed to help our people achieve their career goals:

* **CCCLearning|Professional –** More than 500 bite-sized courses available on-demand and free for all staff. These courses cover a range of business and leadership disciplines from finance to communications to project management.
* **CCC Leadership Roadmap –** A framework to support leadership development at all stages of a staff member’s career. The framework is designed to assist in understanding the difference between each level of leadership, what skills are needed to excel and how to develop them.
* **Career Development Pathways –** For staff members growing in their careers as practitioners and technical specialists, this framework provides guidance on how to develop and hone professional skills. This resource helps to identify flexible and varied pathways for developing a technical career.

**Figure 3:** Training expenditure on developing CCC staff

### Developing our workplace

### Modernising our workplace to support innovation

This year we’ve continued our transformational program to modernise our systems and strategically position the CCC for the future. We’ve also focused on ways to better leverage our rich data sources in order to become an insights driven agency and to deliver more efficient services to our customers.

In this tight fiscal environment we remain committed to investing in business solutions that are sustainable, secure and future-focused so we can adopt simpler and smarter ways of working. Equally important, we will continue developing our critical organisational capabilities to support an innovative, resilient and mobile workforce.

### CCC Futures

At the end of 2019, we implemented the final phase of our organisational restructure, CCC Transform, which delivered clearer lines of accountability and a simplified, service-led structure more closely aligned with our operating model.

This cleared the way for us to focus more directly on our strategic ambitions and building capability in three core areas: workforce planning, digital and analytics (insights). These critical capabilities will help us to modernise and evolve our business in order to improve service delivery, increase efficiency and effectiveness, and better achieve our organisational objectives.

Our CCC Future will be realised through a staged implementation of strategic initiatives to deliver on the following ambitions:

**Agency**: Connecting people, insights and technologies to reduce major crime and improve the integrity of public institutions.

Workforce: The CCC will continue to evolve as a crime and corruption workforce of the future so that we can keep “ahead of the game” to reduce crime and improve the integrity of public institutions in the Queensland community.

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| Investing in digital transformation From 1 July 2018, the CCC received funding of $16.3 million over four financial years (and approximately $3.9 million of ongoing funding per year) to address a range of organisational ICT risks and invest in new technologies and digital tools.  Key outcomes achieved in the 2019–20 financial year are detailed here and on pages 20 – 21. |

Digital: A resilient, connected, augmented and automated CCC that enables the delivery of smarter and simpler services to reduce major crime and improve the integrity of public institutions.

Insights: Effectively leverage research, intelligence, data, analytics and external partnerships, to increase operational efficiency and effectiveness and deliver innovative solutions against major crime and corruption.

### Supporting a digital workplace

Having commenced in July 2018, our Digital Workplace Program (DWP) is delivering enhancements within three key areas: organisational resilience, forensic computing and online intelligence gathering. Combined, these enhancements will create a simplified, secure digital environment with intuitive, integrated tools enhancing the delivery of critical frontline services. Outcomes will support:

* anywhere, anytime access to the CCC network on CCC devices with internet connection
* heightened security and alignment with Whole-of-Government ICT policies
* data-driven decisions powered by cloud-based artificial and business intelligence tools.

During 2019–20, DWP delivered the following enhancements:

* transition of traditional services to a cloud environment (with environments also created for future digital applications)
* delivery of a single sign-on authentication process to allow access to multiple applications with one set of login credentials
* access to contemporary technologies and standardised business applications
* provision of a new system to help safeguard our mobile ecosystem as we transition to the cloud
* delivery of forensic and investigation computing technology pilots to enhance speed to insight for our investigative teams
* delivery of an application to help the CCC’s police contingent better manage their compliance obligations
* delivery of enhanced online intelligence gathering technologies for our investigative teams.

Due to our response to COVID-19, some reprioritisation occurred, including:

* the accelerated roll-out of CCC mobile devices to all staff to support staff mobility across the agency
* the introduction of an at-home telephony solution to improve the experience of our staff working from home.

### Governance Risk and Compliance

Last year we reported on a new project to implement a Governance, Risk and Compliance (GRC) system to:

* improve efficiency in managing policies, risks, compliance and associated actions
* reduce risk through increased compliance, improved risk treatment and overall risk posture
* support strategic performance through greater oversight and management of information to better inform decision making.

After the system piloted in the first half of the 2019–20 financial year, the CCC transitioned to a new GRC solution. The new GRC solution provides access to policies and procedures, risk registers, and legislative compliance obligations, and includes electronic workflow and online reporting functionality to record risks, incidents and conflicts of interests, in a cloud-based environment. The new GRC system will be enhanced in 2020–21 to provide electronic workflow for policy approvals and compliance obligations.

### Program Unify

Program Unify is a significant body of work that will underpin the CCC’s future state operational activities and ensure the CCC has alignment and integration across all such activities. There are three key areas of focus for this program: business improvement, data analytics and case management. These areas  
combined are expected to deliver the following benefits to the CCC:

* build organisational capability to continue to improve performance
* be more efficient and effective in the conduct of investigations
* better plan and direct investigative resources through improved collection and use of information.

#### Business improvement

Business improvement was the first stage of Program Unify. Achievements from this stage will underpin future developments of other stages through documenting an understanding of how the CCC operates, including associated supporting policies and procedures.

The business improvement stage of Program Unify delivered the following key documents to the CCC:

* **Operating Framework:** this document details the policies and minimum standards for how the CCC achieves the purposes of the *Crime and Corruption Act 2001*
* **Operating Model and Governance Arrangements:** this document describes the way we approached our business and includes guiding principles for the way operational activities are undertaken
* **Operations Manual:** this document consolidates many of the CCC’s policies and procedures associated with undertaking investigations and witness protection.

The business improvement stage of Program Unify was completed with the final phase of the Operations Manual released in February 2020.

#### Case management

The second stage of Program Unify is the development of a new case management system (Nexus) to streamline the management of our investigative work.

Bringing together four existing systems, Nexus will manage investigations, confiscations, complaints and projects in once place, and provide the CCC with a single point of truth for operational performance reporting.

Although initially scheduled for deployment in mid-2019, the release of Nexus has been deferred to accommodate continuous business improvement and achieve a usable, fit-for-purpose solution. Nexus is now in its final stages of delivery and is scheduled for deployment by the end of 2020.

Following the delivery of Nexus, the CCC will benefit from improved collaboration across operational activities through enhanced workflows and data management.

#### Data analytics

Data is an essential and valuable asset for the CCC to undertake our core functions. Improving our data analytics capability will enable the CCC to harness, examine and evaluate data from a range of disparate sources. By evolving to become an insights driven agency, the CCC can better examine core issues, predict patterns, identify risk and respond in real time to emerging issues.

In 2019–20 the CCC:

* Launched biannual releases of the [Corruption Allegations Data Dashboard (CADD)](https://www.ccc.qld.gov.au/corruption/corruption-allegations-data-dashboard) on the CCC website. The most recent release of the CADD, in May 2020, allows stakeholders to interactively explore allegations data from the period 1 July 2015 to 31 December 2019
* Conducted internal analysis of corruption trends to help inform the CCC’s strategic planning activities
* Continued to enhance and embed HR and Finance business intelligence reporting to support the CCC in operating more effectively and efficiently
* Developed an insights backlog to assist in demand management by prioritising the development of critical insights.

During 2019–20, the CCC also commenced our transition to a cloud-based data analytics infrastructure. This work will lay the foundation for examining and evaluating data collected in our new case management system to further inform strategic planning and operational activities.

In 2020–21 we will continue to build our data analytics capability in line with the agency’s strategic priorities.

### Improving corruption initial case management processes

To improve the efficiency of the assessment component of corruption investigations, this year we reviewed our processes utilising the LEAN methodology. This analysis identified redundant processes and time efficiencies.

Following the review, procedural enhancements were implemented in relation to secure transfer of information between certain public sector agencies without the need to print off large volumes of documentation for hard copy files. This has now enabled our assessment staff to work primarily via electronic files.

These business process improvements have assisted the CCC to meet our assessment timeliness target for the first time in a few years, with 87 per cent of assessments being finalised within 30 days.

### *Human Rights Act 2019* compliance

In January 2020, the *Human Rights Act 2019* (Qld) came into full effect. To prepare for the Act’s commencement, the CCC initiated an organisational capability project to ensure the CCC’s actions and decisions complied with the requirements of the Act, including the 23 human rights outlined in the Act, from 1 January 2020.

Prior to January 2020, the CCC:

* communicated with staff about the CCC’s preparations for the new Act. This included providing information on the intranet regarding the CCC’s obligations, key contacts, training and other useful resources, such as the CCC’s *Human Rights Act 2019: Issues paper*
* developed a human rights policy and procedure and guidance material regarding decision-making, when rights may be limited, and the process for reviewing and developing policies and procedures. The CCC’s *Human rights policy and procedure* also outlines the processes for dealing with complaints about corruption that may also be a human rights complaint, and dealing with human rights complaints against the CCC or a staff member. The guide *Human rights compatibility framework – decision-making* advises staff to complete the *Human rights acts and decision-making review* template to demonstrate that actions and decisions are compatible with human rights. Similarly, the *Human rights compatibility framework – policies and procedures* provides information about the steps to be taken to ensure CCC policies and procedures are compatible with human rights
* reviewed each section of the Operations Manual, and all other CCC policies and procedures which were identified being of high priority for review because they potentially engaged human rights
* required all relevant staff to complete the *Public Entities and the Qld Human Rights Act 2019* training module to help them improve their understanding of their obligations under the Act
* held a seminar for staff that coincided with World Human Rights Day to help build a culture of human rights awareness within the CCC. This session provided an opportunity for staff to learn more about their obligations when acting and making decisions that could impact human rights, and introduced the training and resources to help staff respect, protect and promote human rights.

The CCC received one human rights complaint during 2019–20. The complaint was withdrawn following ongoing communication between the CCC and the complainant.

To demonstrate the CCC’s ongoing commitment to human rights:

* consideration of human rights has been incorporated into strategic and operational planning activities. The [CCC’s Strategic Plan 2020–2024](https://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/CCC-Strategic-Plan-2020-2024.pdf), for example, identifies the opportunity to build a culture within the CCC that respects, promotes and protects human rights to mitigate the possibility of a decision or action being taken that is incompatible with human rights  
  (see page 71)
* a human rights assessment is undertaken against the requirements of the Act when new policies are created (or reviewed periodically)
* the newly developed CCC’s Matter Prioritisation Model for the assessment and prioritisation of its crime-related work requires that decisions about whether to commence, continue or discontinue a matter must include a proper consideration of relevant human rights and always be compatible with such rights. For further information, see page 49)
* team structures and individual responsibilities are being reviewed in order to further build and foster a culture that respects and promotes human rights, ensures actions and decisions are compatible with human rights, and promotes an effective dialogue about the nature, meaning and scope of human rights
* during COVID-19, Queenslanders were kept informed on how the CCC would continue to deliver its essential services. This included a service delivery update on the CCC website.

# Governance and people

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## Our Commission

|  |
| --- |
| The Commission is responsible for providing strategic leadership and direction for the performance of the CCC’s functions and the exercise of our powers by the Chairperson, CEO and other staff. |

### Profile of our Commissioners (as at 30 June 2020)

##### Mr Alan MacSporran QC

##### Chairperson

**Appointed on 1 September 2015**

Mr MacSporran has a Bachelor of Laws from the University of Queensland. He was admitted as a Barrister-at-law in 1978 and was later appointed Senior Counsel in 2005 and Queen’s Counsel in 2013. Prior to joining the CCC he practised as a barrister for 38 years, his career spanning periods as a Crown Prosecutor and working on coronial inquests and commissions of inquiry. From 2004 to 2009 Mr MacSporran served as the part-time Parliamentary Crime and Misconduct Commissioner. Mr MacSporran is a graduate of the Australian Institute of Company Directors.

##### Mr Sydney Williams QC

##### Deputy Chairperson

**Appointed on 1 November 2014**

Mr Williams has Bachelor degrees in Commerce and Law from the University of Queensland. He was admitted as a Barrister-at-law in September 1975 and as a barrister in Papua New Guinea later that year. Mr Williams was appointed Queen’s Counsel in 1986. Since then he has been in continuous practice as a barrister, focusing on insurance and personal injury litigation.

##### Ms Deborah Holliday

##### Commissioner

**Appointed on 10 March 2017**

**Acting appointment, 11 November 2016 to 10 February 2017**

Ms Holliday has a Bachelor of Laws (Hons) from Bond University and was admitted as a Barrister-at-law in 1994. Her early career included 24 years working in the Office of the Director of Public Prosecutions (Queensland) before joining the private bar. Ms Holliday was a Principal Crown Prosecutor for 15 years. She was seconded to the Inquiry Legal Representation Office and represented persons adversely named in the Carter and Connolly/Ryan Commissions of Inquiry. Ms Holliday’s practice includes providing high-level legal advice and appearing as counsel for government departments and the Legal Services Commission.

##### Mr Marshall Irwin

##### Commissioner

**Appointed on 1 March 2016**

Mr Irwin has a Bachelor of Laws from the University of Queensland and was admitted as a Barrister-at-law in 1976. His early career included 12 years as a senior prosecutor in Queensland and five years investigating crime and corruption, both with the Fitzgerald Inquiry and as the first General Counsel to the newly established Criminal Justice Commission. From 1998, he was also a board member for the National Crime Authority in Melbourne for a period of four years. Between 2003 and 2008 Mr Irwin was Queensland’s Chief Magistrate. Until his retirement in 2014, Mr Irwin presided over District Court proceedings throughout remote and regional Queensland.

##### Professor Anne Tiernan

##### Commissioner

**Appointed on 10 March 2017**

**Acting appointment, 11 November 2016 to 10 February 2017**

Professor Tiernan has a PhD from Griffith University, Bachelor of Arts (from the Australian National University) and a Bachelor of Commerce (Hons, First Class, Griffith). She is the Dean (Engagement) for Griffith Business School at Griffith University. Professor Tiernan is a political scientist, with earlier careers in government, and in teaching and consultancy. Professor Tiernan is a National Fellow of the Institute of Public Administration Australia and a Fellow of the Australian and New Zealand School of Government.

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| Appointment criteria for Commissioners The *Crime and Corruption Act 2001* requires that the CCC Chairperson and Deputy Chairperson must have served as, or are qualified to serve as, a judge of the Supreme Court of any state, the High Court or the Federal Court. The Act also requires that Ordinary Commissioners must have the qualifications, experience or standing appropriate to help the Commission perform its functions. Commissioners are appointed by the Governor-in-Council for a maximum of five years, with the provision of a further five-year re-appointment as long as the person does not hold that office for more than ten years in total. The Governor-in-Council may appoint an acting Chairperson or temporary part-time Commissioner during a period of absence or when there is a temporary vacancy in the role. The Chairperson may appoint for a temporary period a sessional commissioner to conduct hearings, examine witnesses, or undertake specific investigations relevant to the Commission’s functions. |

**Table 8:** Commission Meetings from 1 July 2019 to 30 June 2020

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | Meetings attended | |
| Commissioner | Position | Ordinary meetings | PCCC meetings |
| Mr Alan MacSporran QC | Chairperson | 10 | 4 |
| Mr Sydney Williams QC | Deputy Chairperson | 10 | 1 |
| Mr Marshall Irwin1 | Ordinary Commissioner | 8 | 2 |
| Professor Anne Tiernan | Ordinary Commissioner | 11 | 3 |
| Ms Deborah Holliday | Ordinary Commissioner | 9 | 3 |
| Ex officio members | | | |
| Ms Jen O’Farrell | Chief Executive Officer | 8 | 4 |
| Ms Sharon Loder | Senior Executive Officer, Crime | 6 | 4 |
| Mr Paul Alsbury2 | Senior Executive Officer, Corruption | 7 | 4 |
| Dr Rebecca Denning3 | General Manager, Corporate Services | 9 | 3 |
| Ms Carolyn Bradley4 | General Manager Strategy, Innovation and Insights | 8 | 3 |
| Detective Chief Superintendent Cheryl Scanlon APM5 | General Manager, Operations Support | 5 | 3 |
| Detective Chief Superintendent Darryl Johnson APM6 | General Manager, Operations Support | 2 | 0 |
| Mr Paxton Booth7 | Acting Senior Executive Officer, Corruption | 2 | 0 |
| Mr Michael Scott8 | Acting Senior Executive Officer, Crime | 2 | 0 |
| Ms Kylee Rumble9 | Acting Senior Executive Officer, Corruption | 1 | 0 |

Notes:

1. Mr Irwin’s attendance during the period 5 September 2019 to 29 September 2019 was in his capacity as Acting Chairperson.
2. Mr Alsbury’s attendance during the period 27 August 2019 to 13 September 2019 was in his capacity as Acting Chief Executive Officer.
3. Dr Denning’s attendance during the period 1 July 2019 to 4 August 2019 was in her capacity as Acting Executive Director, Corporate Services. From 5 August 2019 to 1 September 2019, she attended in her capacity as Executive Director, Corporate Services. From 2 September 2019, she attended in her capacity as General Manager, Corporate Services.
4. Ms Bradley’s attendance during the period 1 July 2019 to 4 August 2019 was in her capacity as Acting Executive Director, Strategy, Innovation and Insights. From 5 August 2019 to 1 September 2019, she attended in her capacity as Executive Director, Strategy, Innovation and Insights. From 2 September 2019, she attended in her capacity as General Manager, Strategy, Innovation and Insights.
5. Detective Chief Superintendent Scanlon, General Manager, Operations Support, resigned from her secondment at the CCC on 16 March 2020.
6. Detective Chief Superintendent Johnson APM, General Manager, Operations Support commenced his secondment at the CCC on 5 May 2020.
7. Mr Booth’s attendance during the period 27 August 2019 to 13 September 2019 was in his capacity as Acting Senior Executive Officer Corruption.
8. Mr Scott’s attendance during the period 29 August 2019 to 27 September 2019 was in his capacity as Acting Senior Executive Officer Crime.
9. Ms Rumble’s attendance during the period 19 June 2020 to 30 June 2020 was in her capacity as Acting Senior Executive Officer Corruption.

## Our Executive Leadership Team

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| The ELT supports the Commission by providing advice, leading discussions and making recommendations on strategic and operational matters critical to the CCC’s performance. The Chairperson is a member of the ELT. Details of the other ELT members as at 30 June 2020 are provided below. |

##### Ms Jen O’Farrell

##### Chief Executive Officer

**LLB (Hons), BBus, BCom (admitted as a solicitor in 2008), GAICD**

**Appointed on 24 August 2018**

Responsible for the administration of the commission, including managing the overall operations and resources.

Jen has considerable experience in the public and private sectors, having held senior positions in Housing, Emergency Services, Transport and Main Roads and as a lawyer with Corrs Chambers Westgarth.

##### Ms Sharon Loder Senior Executive Officer (Crime)

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| --- |
| Appointment criteria for the Chief Executive Officer The Chief Executive Officer is appointed by the Governor-in Council for a maximum of five years with the provision of renewal for a further five years, with no more than ten years in total. To qualify under the *Crime and Corruption Act 2001* for appointment as the Chief Executive Officer the person must have qualifications, experience or standing appropriate to perform the functions of the Chief Executive Officer. |

**LLB, BBus, LLM (admitted as a Barrister-at-law in 2000), GAICD**

**Appointed on 3 July 2017**

Responsible for the Crime division that works to combat and prevent major crime, including organised crime, paedophilia, terrorist activity, serious crime and recovery of the proceeds of crime.

Sharon has held senior and executive positions in law enforcement or integrity commissions throughout Australia, working with the NSW Independent Commission Against Corruption, the Queensland Crime and Misconduct Commission and the QPS.

##### Chief Superintendent Darryl Johnson APM General Manager, Operations Support

**BBuss (HR) G.Cert Applied Management**

**Appointed on 5 May 2020**

Responsible for the Operations Support Unit, including witness protection, technical surveillance, physical surveillance and forensic computing.

Darryl is an accomplished police officer with the QPS with over 38 years’ service. Prior to commencing with the CCC, Darryl led positive change in the QPS involving provision of policing services designed to mitigate the risk to vulnerable community members including domestic violence victims and perpetrators, those suffering from mental illness and those experiencing homelessness.

##### **Mr Paul Alsbury**

##### Senior Executive Officer (Corruption)

**LLB, BBus, LLM (admitted as a Barrister-at-law in 2001), GAICD**

**Appointed on 3 October 2017**

Responsible for the Corruption division that works to raise the standard of conduct in the Queensland public sector and ensure that complaints about corruption are dealt with appropriately, including by investigating allegations of serious and systemic corruption.

Paul is highly experienced in the Queensland public service, having served with the Office of the Director of Public Prosecutions, Transport and Main Roads, and the QPS.Ms Carolyn Bradley  
General Manager, Strategy, Innovation and Insights

**BCom/LLB (Hons) (admitted as a solicitor in 2009), CA, GAICD**

**Appointed on 5 August 2019**

Responsible for the Strategy, Innovation and Insights division that drives innovation, generates and turns insights into action, builds critical capabilities, and implements transformational change.

Carolyn is a senior leader in strategic, operational, and cultural management and change, with over 14 years’ professional experience across multiple geographies and operating environments.

Dr Rebecca Denning  
General Manager, Corporate Services

**B. Criminology and Criminal Justice (Hons), PhD, GAICD**

**Appointed on 26 July 2019**

Responsible for the Corporate Services division that provides performance reporting, governance, financial management, business systems support, security, ICT, facilities and procurement services.

Rebecca has extensive policy, research and management experience, having worked in State and Commonwealth agencies, predominantly related to the criminal justice sector.

|  |
| --- |
|  |
| 1. **Portfolio review:** Analysing business activity and optimising the focus of CCC investment by regular oversight of approved investigations and projects.   Some members of the ELT are also members of other CCC governance committees, specifically the:   * Budget Management Committee * Organisational Safety and Wellbeing Committee * Audit and Risk Management Committee (see page 72).   As members of these committees, they consider issues relating to resourcing, risk, quality assurance and business improvement. |

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| The role of the ELT |
| The ELT is responsible for:   1. **Strategic oversight:** Understanding the CCC’s operating environment, identifying strategic issues and steering the organisation towards achievement of strategic goals and objectives. 2. **Corporate leadership:** Guiding strategic and operational activities, setting the tone for how things are done and driving good governance through oversight of the CCC’s governance framework. 3. **Portfolio assessment:** Setting priorities in alignment with strategic goals and objectives, approval of investigations and projects (including resource allocation). This also includes assessing complaints categorised as “High”, in accordance with the Complaint Categorisation and Prioritisation Model. |

## Our staff

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| The CCC employs a diverse mix of professionals including lawyers, accountants, investigators, researchers, intelligence analysts and support staff, and seconds a cohort of police officers from the QPS. As at 30 June 2020, our workforce equated to 338 full-time equivalent (FTE) staff1,2. Compared with 30 June 2019, our FTEs have decreased by 3.18. |

### Staff profile

**Table 9:** FTEs by division

|  |  |
| --- | --- |
| Division | Full-time equivalent |
| Corruption | 95.10 |
| Crime | 62.80 |
| Office of the Commission | 9.00 |
| Operations Support | 76.07 |
| Corporate Services | 74.22 |
| Strategy, Innovation and Insights | 21.09 |
| **Total** | **338.28** |

Notes:

1. FTE refers to all permanent, temporary and casual staff (including CCC staff and seconded police officers)
2. FTE figures are as at payroll period ending 3 July 2020. This differs slightly from the CCC’s audited Financial Statements which include FTE figures as at 30 June 2020.

We have 373 employees which consist of the following staffing profiles.

**Table 10:** CCC staffing

|  |  |
| --- | --- |
| Police | Civilian |
| 20% | 80% |

**Table 11:** CCC civilian staffing employment status

|  |  |  |
| --- | --- | --- |
| Temporary | Permanent | Casual |
| 12% | 81% | 7% |

Of our civilian workforce, 81 per cent are employed on a permanent basis. This is comparable with the wider Queensland public service’s reported figure of 80 per cent (as at December 2018).

Our workforce spans across four of the five generational groups. The average age of our workforce is 43.8 years of age.

**Figure 4:** Generational groupings

### Gender profile

The CCC’s overall gender balance is currently 54 per cent women and 46 per cent men. Women comprise 63 per cent of our civilian workforce. Women fill 54 per cent of all positions at and above AO7 and equivalent classifications, and 36 per cent at the senior executive levels (which include Senior Executive Staff and Commissioners) (see Figure 5).

**Table 12:** Civilian vs police by gender   
(number of staff)

|  |  |  |
| --- | --- | --- |
|  | Police | Civilian |
| **Female** | 14 | 187 |
| **Male** | 62 | 110 |

### Equity and diversity measures1,2,3

**Figure 5:** Profile of classification by gender1

Of our workforce, 1.3 per cent identify as being from an Aboriginal or Torres Strait Islander background, 1 per cent are people living with a disability and 6 per cent identify as being from a culturally or linguistically diverse background.

Notes:

1. Figures relate to permanent civilian staff and do not include seconded police officers as diversity statistics are not available.
2. Data is based on employees who have voluntarily disclosed this information to the CCC.
3. In 2019–20 the data calculation methodology has been changed to include all CCC staff (excluding police) in comparison to permanent staff only in previous years.

Notes:

1. AO data ranges include equivalent classifications.

### Staff retention

**Figure 6:** Staff separation rate1

The permanent employee separation rate decreased in 2019–20 compared to 2018–19 which can be attributed to both natural variation and labour market dynamics.

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

The CCC’s long service rate is high, with 27 per cent of our permanent staff having ten or more years’ service and a further 20 per cent of staff having five or more years’ service.

### Workplace health and safety

The CCC maintains a comprehensive workplace health and safety program consistent with the *Work Health and Safety Act 2011*. In 2019–20, the CCC had nine reported workplace health and safety incidents and two WorkCover claims which were both related to travel between work and the staff members’ residence (see Figure 7). The CCC also provided rehabilitation and return-to-work programs for staff where required.

Notes:

**Figure 7:** Workplace incidents and WorkCover claims for CCC staff

1. Our separation rate excludes the separation of seconded police officers who returned to the QPS at the conclusion of their secondment.

Early retirement, redundancy and retrenchment

No redundancy, early retirement or retrenchment packages were paid during the period.

## Governance and oversight

The CCC’s governance framework establishes the principles, behaviours and processes that guide our work. Good corporate governance not only supports good decision-making, it helps us identify ways to improve our business processes and internal culture.

Our governance framework includes the following elements:

##### Leadership

We communicate a shared vision for the future and our decisions are guided by our strategic objectives

##### Culture

We are a values-led agency and we work together to achieve results for the people of Queensland

##### Expectations

We set clear expectations for all staff, supported by robust internal controls

##### Risk management

We actively manage risk and maximise opportunities for improvement

##### Service

We value our customers and use our resources to engage and innovate

##### Performance management

We are accountable for our performance, as individuals and as 1CCC

### Risk management

The CCC recognises risk management is integral to good governance and effective management. Our Commission is responsible for setting the agency’s Risk Appetite Statement and ensuring our strategic risks are identified and managed in accordance with our Risk Management Framework. With the introduction of the *Human Rights Act 2019* an additional strategic opportunity, “Building a culture that respects, promotes and protects human rights”, was included in our 2020-24 Strategic Plan.

During the second half of 2019–20, the CCC transitioned to a new GRC solution. The GRC replaces the use of Excel spreadsheets for managing risk, automates processes for monitoring risk and compliance actions, and provides enhanced risk reporting.

#### Risk maturity assessment

Last year we reported on the Queensland Audit Office’s (QAO) risk maturity assessment of the CCC’s risk management framework. The seven recommendations from the report were endorsed in 2019 by the Audit and Risk Management Committee (ARMC) and a Risk Management Action Plan, containing 10 actions, was developed to manage the implementation of those recommendations.

At the end of 2019–20, eight of the ten actions had been implemented. Two of the actions could not be progressed as they related to GRC functionality which was still under development. Implementation of these two actions has been deferred to 2020–21.

#### Risk management framework

The CCC has a number of frameworks to assist us in making risk-informed decisions to support the strategic and operational work of the agency.

These include the CCC’s:

* Risk Management Framework  
  (aligns to ISO 3100:2018)
* Fraud and Corruption Control Plan  
  (aligns to AS 8001-2008)
* Information Security Management Framework (aligns to QG IS18:2018 and ISO/IEC 27001).

In June 2020, we completed the periodical review of the CCC’s Fraud and Corruption Control Plan, Statement and policy and procedure to ensure currency and effectiveness of the instruments.

### Strategic risks

In order to meet our objectives we managed strategic risks and promoted opportunities to strengthen our capabilities by:

##### Keeping ahead of change

Modernising our systems and adapting our organisational agility to innovate and lead change

##### Actively engaging with our stakeholders

Working in partnership with others to inform, educate and empower our key stakeholders

##### Maintaining effective governance

Growing a strong governance culture to support compliance and safeguard our information assets

##### Future-proofing our workforce

Empowering our people to develop critical capabilities and to live the CCC values

##### Promoting a safe work environment

Actively supporting a safe and healthy work environment

### Audit and Risk Management Committee

The ARMC provides independent assurance on risk, internal controls, compliance with legislative and regulatory requirements, and the financial management of the CCC. The ARMC is a five-person committee consisting of the CEO (the Commission’s nominee), two internal members and two external members, one of whom is the Chair (see Table 13). The Chairperson is an ex officio member of the committee. The CCC Internal Auditor and representatives from the QAO have standing invitations to attend ARMC meetings. The ARMC observes the terms of the ARMC charter and has due regard to Queensland Treasury’s Audit Committee Guidelines.

During 2019–20 the ARMC provided strategic advice and oversight of:

* the integrity of the CCC’s financial statements and internal controls
* compliance with legislative and regulatory requirements
* internal risk management process (as per the previous section on Risk Maturity Assessment)
* information security processes
* fraud and corruption control systems
* business continuity
* the performance of the internal audit function.

Meetings were held on a quarterly basis.

**Table 13:** Membership of the ARMC

|  |  |  |
| --- | --- | --- |
| Name | Position | Meetings attended |
| **Mr Mike Meintjes1** | Chair (external) | 42 |
| **Mr Bruce Barbour1** | External member | 42 |
| **Ms Jen O’Farrell** | Chief Executive Officer | 42 |
| **Ms Sharon Loder** | Senior Executive Officer (Crime) | 42 |
| **Mr Rob Hutchings** | Executive Director, Corporate Legal | 2 |
| **Mr David Caughlin3** | A/ Executive Director, Corporate Legal | 12 |
| **Ex officio members:** | | |
| **Mr Alan MacSporran QC** | Chairperson | 32 |
| **Invitees:** | | |
| **Mr Brendan Clarke** | CCC Internal Auditor | 42 |

Notes:

1. Mr Meintjes and Mr Barbour were remunerated $6,000 and $5,000 respectively.
2. The June ARMC meeting was a papers meeting. There was no virtual meeting or formal meeting because of COVID-19.
3. Mr Caughlin acted as Executive Director, Corporate Legal between 14 April and 30 June 2020 as Mr Hutchings ended employment with the CCC.

### Internal audit

The internal audit function forms part of the CCC’s governance and assurance framework, operating independently of the activities it reviews. The Internal Auditor provides independent advice and assurance to the CCC’s executive and the ARMC regarding the effective and efficient use of CCC powers, assets and resources. The Internal Auditor is a qualified FCPA, accredited member of the Institute of Internal Auditors, Government Certified in Fraud Control and a graduate of the Australian Institute of Company Directors.

All audits are risk-based, comprising legislative and financial compliance audits, performance audits, project audits and information technology audits, to ensure that areas of highest risk are addressed in annual internal audit plans. The Internal Auditor reports directly to the CEO with the internal audit function operating under its own charter to ensure the CCC’s policies, procedures, controls and practices are consistent with audit standards and the Code of Ethics prescribed by the Institute of Internal Auditors’ International Professional Practices Framework. The Internal Auditor also has due regard to Queensland Treasury’s Audit Committee Guidelines.

A number of internal audits were completed this year, including audits of:

* Vic Roads audit
* Fraud and Corruption Control
* Physical Security
* Social Media
* Proceeds of Crime
* Accounts Payable and Procurement.

The Internal Auditor also prepared a three-year Strategic Internal Audit Plan and an Annual Internal Audit Plan for 2020–23 and 2020–21 respectively. These plans were accepted by the Executive, endorsed by the ARMC, and approved by the Commission.

### External audit

The CCC’s financial statements were audited by the QAO in accordance with the *Financial Accountability Act 2009* and other applicable laws. In 2019–20 the CCC received an unqualified audit report.

### External scrutiny

#### Oversight by the Parliamentary Crime and Corruption Committee

The PCCC is a bipartisan committee whose principal functions are to:

* monitor and review the performance of the functions, and the structure of the CCC
* report to Parliament on matters relevant to the CCC
* consider and give bipartisan support to the appointment of Commissioners and the CEO.

In its monitoring and reviewing role it also conducts specific inquiries in respect of matters pertaining to the CCC. In monitoring CCC activities, the committee:

* receives and considers complaints against the CCC
* reviews CCC guidelines and policies and may make suggestions for improvement of practices
* reviews CCC reports including the annual report and research reports
* requests reports from the CCC on matters which have come to the committee’s attention, through the media or by other means
* deals with ad hoc issues concerning the CCC

In 2019–20 the CCC met formally with the PCCC three times in both public and private meetings to discuss our current activities and performance. The scheduled meeting in April was not held due to COVID-19.

In late 2019, the PCCC announced an inquiry into the performance of our functions to assess and report on corruption complaints.

In May 2020, the PCCC resolved to incorporate this inquiry into the five-yearly review of the CCC’s activities which commenced this year. This review will cover the jurisdiction, responsibilities, functions and powers of the CCC. The PCCC will consider public submissions and intends to hold a public hearing before tabling a report on its review by 30 June 2021.

#### Parliamentary Crime and Corruption Commissioner

The PCCC is assisted in its oversight process by the Parliamentary Crime and Corruption Commissioner, who investigates complaints against the CCC or our staff. The Parliamentary Commissioner may independently initiate investigation of a matter that involves, or may involve, the corrupt conduct of a CCC staff member. The Parliamentary Commissioner also conducts audits of CCC records and files.

In 2019–20 the Parliamentary Commissioner:

* inspected the CCC’s records to determine compliance with legislation governing surveillance device warrants, retrieval warrants, emergency authorisations and controlled operations
* audited records related to the use of assumed identities
* inspected the telecommunications interception records
* reviewed intelligence data held by the CCC.

Where issues were raised by the audits and inspections, the CCC took appropriate action to address those issues. For information on audit reports see “Audits of our warrant records” on page 75.

#### Ministerial oversight

As required by section 260 of the *Crime and Corruption Act 2001*, the CCC provides six-monthly reports on the efficiency, effectiveness, economy and timeliness of our systems and processes to the Minister. The CCC also provides budget information to the Minister.

#### Public Interest Monitor

The Public Interest Monitor must ensure the CCC complies with the *Crime and Corruption Act 2001*, the *Police Powers and Responsibilities Act 2000* and the *Telecommunications Interception Act 2009* (Qld). This includes examining the CCC’s applications for covert search warrants and surveillance warrants.

#### 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 CCC hearings.

#### Crime Reference Committee

The Crime Reference Committee is a committee established under Part 2 of Chapter 6 of the *Crime and Corruption Act 2001* to oversee the general conduct of the performance of the CCC’s functions in relation to major crime and specific intelligence operations. The CCC’s jurisdiction for major crime investigations and intelligence operations is enlivened by way of referrals or authorisations made or approved by the Committee.

The members of the Crime Reference Committee are:

* CCC Chairperson – chair of the committee
* Commissioner of Police
* Principal Commissioner, Queensland Family and Child Commission
* Senior Executive Officer (Crime)
* Two community representatives appointed by the Governor-in-Council upon the recommendation of the Minister.

The Senior Executive Officer (Corruption) is also a member of the Committee if it is considering whether to authorise an intelligence operation relating to suspected corruption.

#### 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 CCC or the QPS.

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. The committee comprises the Commissioner of Police (or a nominee), the CCC Chairperson and an independent member, presently a retired Court of Appeal judge, who is the Chair. In the case of any controlled operation by the CCC that involves investigating a police officer, the CCC Chairperson may approve the application without referring it to the committee, but must first contact the independent member and obtain his agreement.

#### Evidence *Act 1977*

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

This year, six certificates were given by the Commissioner of Police on the basis that they was satisfied the disclosure of the operative’s identity had the potential to lead to safety concerns. One witness identity protection certificate issued by the Commissioner of Police was cancelled under section 21KB as the Commissioner no longer believed it was necessary to protect the identity of the operative as they were no longer required to provide evidence as a witness. No certificates were given by the CCC Chairperson.

#### Audits of our warrant records

The Commonwealth Ombudsman conducts inspections of the CCC’s stored communications and telecommunications data records while Queensland’s Parliamentary Crime and Corruption Commissioner inspects telecommunications interception records.

The Parliamentary Commissioner continues to report favourably on the CCC’s procedures regarding obtaining telecommunications interception warrants and managing telecommunications interception warrant information. In reports dated September 2019 and April 2020, the Parliamentary Commissioner noted that the CCC was compliant with our record keeping obligations under sections 14, 15 and 16 of the *Telecommunications Act 2009* (Qld) and our restricted records obligations under sections 18, 19 and 20 of the Act.

In November 2019, the CCC notified the Minister for Home Affairs of a discrepancy in the number of reported preservation notices in the 2018–19 annual report provided to the Minister under section 159 of the *Telecommunications (Interception and Access) Act 1979* (Cth). The CCC has since upgraded the preservation notice register to ensure future compliance.

In December 2019 the Commonwealth Ombudsman provided the CCC with a report regarding the August 2019 inspection of the CCC’s records in relation to telecommunications data for the period 1 July 2018 to 30 June 2019. The CCC has adopted suggestions made by the Commonwealth Ombudsman regarding improving the recording of quarantined data and training of officers as well as amending processes related to Journalist Information Warrants. The Ombudsman welcomed the CCC’s proactive engagement with the inspection and noted the CCC’s strong culture of compliance.

In November 2019 the Commonwealth Ombudsman conducted an inspection of the CCC’s records in relation to stored communications for the period 1 July 2018 to 30 June 2019. The Ombudsman made a number of suggestions for improving record procedures in its February 2020 report. In response, we have upgraded our screening procedures for stored communication warrants and reviewed and updated forms to ensure sufficient information is provided. The Ombudsman welcomed the introduction of additional measures designed to ensure we comply with our obligations under the *Telecommunications (Interception and Access) Act 1979* (Cth).

The Parliamentary Commissioner also inspects the CCC’s surveillance device warrant records on a six-monthly basis under section 362 of the *Police Powers and Responsibilities Act 2000*. The December 2019 report found the CCC fully compliant with our obligations in relation to surveillance device warrants.

The June 2020 inspection identified a typographical error in two warrants, and two instances in which the CCC’s compliance reports included incorrect information, or did not include information required under the *Police Powers and Responsibilities Act 2000*. Steps were taken to address those compliance issues. The Parliamentary Commissioner also identified an opportunity for change to the CCC’s process in respect of revocation of warrants, and an opportunity for legislative reform regarding extension or variation of surveillance warrants.

Overall, in 2019–20 the Parliamentary Commissioner was generally satisfied with our compliance with our obligations in respect of surveillance devices.

**Table 14**: Use of powers 2019–201

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Description | Crime | | Corruption | Proceeds of crime |
|  | **Investigation** | **Intelligence** |  |  |
| **Notices issued to attend hearing** | 258 | 0 | 86 | 0 |
| **Notices to produce** | 143 | 0 | 0 | 436 |
| **Search warrants** | 26 | N/A | 25 | N/A |
| **Notices to discover information** | N/A | 2 | 384 | N/A |

Notes:

1. This table refers to notices and warrants authorised by the Chairperson or delegate.

### Managing our records

The CCC is committed to responsible management of records in line with the requirements of the *Public Records Act 200*2, and the QSA Records Governance Policy and approved Retention and Disposal Schedules. Our General Recordkeeping policy details the roles and responsibilities for creating, managing and disposing of public records in line with the approved records retention and disposal schedule.

Recordkeeping responsibilities are communicated to all CCC staff during mandatory induction training, and are refreshed annually. The eLearning modules were updated in October 2019 and included recent changes to the Information Security Classification framework and updated content from QSA.

We regularly review our whole-of-organisation records management systems and processes to ensure they are secure, compliant and contemporary. There were no serious breaches of the agency’s information security in 2019–20.

During the past year, we continued to evolve our recordkeeping systems, procedures and practices to support a digital workplace environment, in line with the Records Governance Policy released in June 2018.

In December 2019 we upgraded our records management system (eDRMS) to ensure ongoing compatibility with integrated software and increase system reliability. In addition to upskilling in the new system, we also provided regular eDRMS training, both formally and ad hoc, to ensure our staff remain skilled in this system.

#### New information security classifications

In response to revisions to the *Queensland Government Chief Information Office Information Security Policy* (IS18:2018), in August 2019 the CCC introduced a new Information Security Classification scheme. This scheme, aligned with the State and Federal classification system, reduced the number of classifications from five to four.

To prepare staff for this change, information sessions were held in the first half of 2019–20 and all staff completed two compulsory training models.

#### Retention and disposal of records

The CCC’s records are retained in accordance with retention and disposal schedules approved by QSA. Following on from our progress last year, this year the CCC continued to identify and dispose of records in accordance with records disposal policies. Progress identifying and disposing records was delayed in March 2020 by the release of a new retention schedule related to abuse of vulnerable persons by QSA. The new schedules will allow Records Management to develop new streamlined processes around identifying and managing abuse and related records for the required life cycle. We are currently working through the implications and expect our records disposal project to be completed in 2020–21.

#### Transitioning to digital recordkeeping

In 2019–20, in support of our aim to build a digital workplace and reduce reliance on paper-based processes, the CCC continued the integration of eDRMS functionality into the CCC’s operational processes. System enhancements and cooperative software have continued to be embraced to assist CCC staff in moving towards a paper-lite workplace.

On 1 October 2020, a new process for digitising records was introduced. This digitisation process reduces storage overheads while still adhering to required practices from the Records Governance policy. The digitisation of these records will allow them to be more discoverable and searchable using Optical Character Recognition capability. Ongoing changes to electronic processes have assisted us in our COVID-19 response allowing our staff to work remotely.

In November 2019 the CCC also developed a new electronic complaints intake procedure. This effectively reduced the reliance on paper-based records and physical files to zero, for this stream  
of records.

# Financial information

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## About the Financial Statements

#### Introduction

The financial statements highlight the CCC’s financial performance and overall position as at 30 June 2020.

The financial statements consist of five parts:

* **Statement of Comprehensive Income**
* **Statement of Financial Position**
* **Statement of Changes in Equity**
* **Statement of Cash Flows**
* **Notes to and forming part of the Financial Statements.**

The financial statements are prepared by the CCC’s finance area, are reviewed by the Chief Executive Officer and the ARMC and then audited by the QAO.

#### Statement of Comprehensive Income

The Statement of Comprehensive Income measures the entity’s financial performance over a specific period (usually 12 months). The Statement of Comprehensive Income comprises a profit and loss statement which compares revenues received against expenses incurred. Excess revenue over expenses results in an operating surplus, while excess expenses over revenue results in an operating deficit.

For the year ended 30 June 2020, the CCC’s revenue exceeded expenditure by $0.286M, resulting in an operating surplus.

#### Statement of financial position

The Statement of Financial Position provides a snapshot of the financial health of an entity at the end of the reporting period. It presents the value of the assets held, amounts owing (liabilities), and the equity (net worth) of the entity.

As at 30 June 2020, the CCC’s equity was valued at $21.790M, increasing by $3.365M from the previous year due to a $2.592M equity injection from government to fund the development of a new CMS and the DWP, the $0.286M operating surplus for the 2018–19 financial year and an equity adjustment as a result of the new leasing standard implemented on  
1 July 2019 (See note 1(h) and 9).

#### Assets

Assets are items of value controlled by an entity, from which future economic benefits are expected to flow to the entity. Assets are classed as “current assets” or “non-current assets”.

**Current assets** are those assets that can be readily converted into cash within the next 12 months. The CCC’s current assets include cash, trade debtors and other receivables, and pre-paid expenditure.

**Non-current assets** are those assets that are not easily converted into cash and that an entity does  
not expect to convert into cash within the next  
12 months.

At 30 June 2020, the CCC’s non-current assets of $11.435M included the book value of leasehold improvements, motor vehicles, computer and other technical equipment, software (intangibles), and work in progress including intangibles.

#### Liabilities

Liabilities are the amounts owed by the entity. Similarly to assets, they are classed as “current liabilities” and “non-current liabilities”.

**Current liabilities** are amounts owing that an entity plans to pay within the next 12 months. For the CCC, current liabilities include amounts owed to suppliers (usually settled on 30-day terms), amounts owing for leave entitlements to be paid to the Annual Leave Central Scheme, provisions for expenditure incurred based on contractual obligations and expected to be settled within the next 12 months.

**Non-current liabilities** are those liabilities which an entity is not expected to pay within 12 months or which the entity has no legal requirement to settle within the next 12 months. The CCC’s non-current liabilities relate to the provision for costs to restore the leased premises to its original condition and deferred lease liabilities which have arisen due to recognising lease payments in accordance with the new leasing standard implemented on 1 July 2019 (See note 1(h) and 9) over the term of the lease.

#### Net assets

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of the CCC as at 30 June 2020.

#### Equity

Equity is the net worth of the entity and is represented by total assets less total liabilities in the Statement of Financial Position. An entity’s equity balance is made up of initial capital (contributions), accumulated surplus/deficit and reserves.

#### Statement of Changes in Equity

The Statement of Changes in Equity details movements in the equity of an entity during the reporting period. The equity balance is affected by  
the operating result (surplus or deficit) for the period, equity injections or withdrawals, and asset revaluations.

#### Statement of cash flows

This statement shows the actual movements of cash during the financial year. During the 2019–20 financial year, the CCC received $66.192M in cash and paid out $66.747M in cash to manage our operating activities. In addition, $2.423M in cash was invested in capital acquisitions and financing received by way of an equity injection of $2.592M. The CCC’s cash balance at 30 June 2020 was $11.385M compared with $12.059M at 30 June 2019. The decrease in cash of $0.674M is mainly due to current year capital acquisitions and the lower liabilities when compared with 30 June 2019.

#### Notes to and forming part of the Financial Statements

The notes to the financial statements provide a more detailed breakup of line items presented in the financial statements. They also disclose other matters such as the CCC’s accounting policies, budget reporting disclosures including explanations of major budget variances, outstanding commitments at the end of the reporting period and other financial disclosures including key executive management personnel and remuneration. The financial statements should be read in conjunction with these accompanying notes.

## Financial Statements

### General information

These financial statements cover the Crime and Corruption Commission, an independent statutory body established under the *Crime and Corruption Act 2001*, which reports directly to the Queensland Parliament.

For financial reporting purposes, the CCC is a statutory body in terms of the *Financial Accountability Act 2009*, and is subsequently consolidated into the whole-of-government financial report.

The head office and principal place of business of the CCC is:

Level 2, North Tower Green Square  
515 St Pauls Terrace  
FORTITUDE VALLEY QLD 4006

A description of the nature of the CCC’s operations and its principal activities is included in the notes to the financial statements.

For information relating to the CCC’s financial statements, please call 07 3360 6060, email [mailbox@ccc.qld.gov.au](mailto:mailbox@ccc.qld.gov.au) or visit the CCC’s website at [www.ccc.qld.gov.au](file:///C:\Users\nhallows\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\D4NVOYHS\www.ccc.qld.gov.au)

Note: the Financial Statements are available as a separate file on the CCC website.

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|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |
| **OPERATING RESULT** | **Notes** | **2020 Actual** | **2020 Original Budget** | **\*Budget  Variance** | **2019 Actual** |
|  |  | **$’000** | **$’000** | **$’000** | **$’000** |
|  |  |  |  |  |  |
| **Income from Continuing Operations** |  |  |  |  |  |
|  |  |  |  |  |  |
| Grants and other contributions | 2 | 65,077 | 66,367 | (1,290) | 58,655 |
| Interest |  | 253 | 460 | (207) | 485 |
| Other revenue |  | 197 | 104 | 93 | 101 |
| **Total Revenue** |  | 65,527 | 66,931 | (1,404) | 59,241 |
|  |  |  |  |  |  |
| Gains on disposal of property, plant and equipment |  | 18 | 70 | (52) | 90 |
|  |  |  |  |  |  |
| **Total Income from Continuing Operations** |  | **65,545** | **67,001** | **(1,456)** | **59,331** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| **Expenses from Continuing Operations** |  |  |  |  |  |
|  |  |  |  |  |  |
| Employee expenses | 3 | 45,785 | 45,466 | 319 | 42,191 |
| Supplies and services | 5 | 15,833 | 17,228 | (1,395) | 13,494 |
| Depreciation and amortisation | 8-9 | 2,224 | 2,916 | (692) | 2,086 |
| Impairment losses |  | - | - | - | 5 |
| Finance costs |  | 18 | 151 | (133) | 6 |
| Other expenses | 6 | 1,399 | 1,240 | 159 | 1,333 |
|  |  |  |  |  |  |
| **Total Expenses from Continuing Operations** |  | **65,259** | **67,001** | **(1,742)** | **59,115** |
|  |  |  |  |  |  |
| **Operating Result from Continuing Operations** |  | **286** | **0** | **286** | **216** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| **Total Comprehensive Income** |  | **286** | **0** | **286** | **216** |
|  |  |  |  |  |  |

*The accompanying notes form part of these statements.*

*\* An explanation of major variances is included at Note 18.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Notes** | **2020 Actual** | **2020 Original Budget** | **\*Budget  Variance** | **2019 Actual** |
|  |  | **$’000** | **$’000** | **$’000** | **$’000** |
| **Current Assets** |  |  |  |  |  |
| Cash and cash equivalents | 7 | 11,385 | 14,567 | (3,182) | 12,059 |
| Receivables |  | 791 | 698 | 93 | 1,009 |
| Other assets |  | 1,697 | 566 | 1,131 | 1,189 |
| **Total Current Assets** |  | **13,873** | **15,831** | **(1,958)** | **14,257** |
|  |  |  |  |  |  |
| **Non-Current Assets** |  |  |  |  |  |
| Intangible assets | 8 | 2,926 | 3,586 | (660) | 1,282 |
| Property, plant and equipment | 8 | 7,457 | 8,463 | (1,006) | 8,613 |
| Right-of-use assets | 9 | 927 | 435 | 492 | - |
| Other assets |  | 125 | 72 | 53 | 38 |
| **Total Non-Current Assets** |  | **11,435** | **12,556** | **(1,121)** | **9,933** |
|  |  |  |  |  |  |
| **Total Assets** |  | **25,308** | **28,387** | **(3,079)** | **24,190** |
|  |  |  |  |  |  |
| **Current Liabilities** |  |  |  |  |  |
| Payables | 10 | 1,107 | 5,018 | 3,911 | 3,396 |
| Lease liabilities | 9 | 302 | - | (302) | 24 |
| Unearned revenue |  | 3 | 13 | 10 | 13 |
| Accrued employee benefits | 11 | 1,252 | 1,080 | (172) | 1,613 |
| **Total Current Liabilities** |  | **2,664** | **6,111** | **3,447** | **5,046** |
|  |  |  |  |  |  |
| **Non-Current Liabilities** |  |  |  |  |  |
| Lease liabilities | 9 | 646 | 323 | (323) | 463 |
| Provisions | 12 | 208 | 266 | 58 | 256 |
| **Total Non-Current Liabilities** |  | **854** | **589** | **(265)** | **719** |
|  |  |  |  |  |  |
| **Total Liabilities** |  | **3,518** | **6,700** | **3,182** | **5,765** |
|  |  |  |  |  |  |
| **Net Assets** |  | **21,790** | **21,687** | **103** | **18,425** |
|  |  |  |  |  |  |
| **Equity** |  |  |  |  |  |
| Contributed equity |  | 15,828 | 16,167 | (339) | 13,236 |
| Accumulated surplus |  | 5,962 | 5,520 | 442 | 5,189 |
| **Total Equity** |  | **21,790** | **21,687** | **103** | **18,425** |

*The accompanying notes form part of these statements.*

*\* An explanation of major variances is included at Note 18.*

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
|  | **Accumulated Surplus** | **Contributed  Equity** | **TOTAL** |
|  | **$’000** | **$’000** | **$’000** |
|  |  |  |  |
|  |  |  |  |
| **Balance as at 1 July 2018** | **4,973** | **12,921** | **17,894** |
|  |  |  |  |
| Operating result from continuing operations | 216 | - | **216** |
|  |  |  |  |
| *Transactions with Owners as Owners:* |  |  |  |
|          Non appropriated equity injection¹ | - | 315 | **315** |
|  |  |  |  |
| **Balance as at 30 June 2019** | **5,189** | **13,236** | **18,425** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  | **Accumulated Surplus** | **Contributed  Equity** | **TOTAL** |
|  | **$’000** | **$’000** | **$’000** |
|  |  |  |  |
|  |  |  |  |
| **Balance as at 1 July 2019** | **5,189** | **13,236** | **18,425** |
|  |  |  |  |
| Operating result from continuing operations | 286 | - | **286** |
|  |  |  |  |
| Adjustment to accumulated surplus1 | 487 | - | **487** |
|  |  |  |  |
| *Transactions with Owners as Owners:* |  |  |  |
|          Non appropriated equity injection2 | - | 2,592 | **2,592** |
|  |  |  |  |
| **Balance as at 30 June 2020** | **5,962** | **15,828** | **21,790** |
|  |  |  |  |

1 The implementation of AASB16 *Leases* involved an adjustment as at 1 July 2019. Details are contained in note 1(h).

2 The CCC received a non-appropriated equity injection in 2018-19 and 2019-20 to fund the development of a new Integrated Case Management System (ICMS) and the Digital Workplace Program (DWP).

*The accompanying notes form part of these statements.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Notes** | **2020 Actual** | **2020 Original Budget** | **\*Budget  Variance** | **2019 Actual** |
| **Cash flows from operating activities** |  | **$’000** | **$’000** | **$’000** | **$’000** |
| ***Inflows*** |  |  |  |  |  |
| Grants and other contributions | | 63,924 | 65,311 | (1,387) | 56,842 |
| Interest receipts |  | 265 | 460 | (195) | 494 |
| GST input tax credits from ATO |  | 1,883 | 1,166 | 717 | 1,761 |
| GST collected from customers |  | 46 | - | 46 | 47 |
| Other |  | 74 | 104 | (30) | 154 |
|  |  |  |  |  |  |
| ***Outflows*** |  |  |  |  |  |
| Employee expenses |  | (47,225) | (45,416) | (1,809) | (44,607) |
| Supplies and services |  | (13,277) | (13,070) | (207) | (10,972) |
| Property rental |  | (4,062) | (4,049) | (13) | (4,221) |
| GST paid to suppliers |  | (1,953) | (1,142) | (811) | (1,695) |
| GST remitted to ATO |  | (41) | (29) | (12) | (51) |
| Other |  | (189) | (448) | 259 | (146) |
| **Net cash provided by/(used in) operating activities** | 13 | **(555)** | **2,887** | **(3,442)** | **(2,394)** |
|  |  |  |  |  |  |
| **Cash flows from investing activities** |  |  |  |  |  |
| ***Inflows*** |  | 323 | 194 | 129 | 273 |
| Sales of property, plant and equipment |  |  |  |  |  |
|  |  |  |  |  |  |
| ***Outflows*** |  |  |  |  |  |
| Payments for Intangibles |  | (1,676) | (2,104) | 428 | (1,028) |
| Payments for property, plant and equipment |  | (1,070) | (2,185) | 1,115 | (1,825) |
| **Net cash provided by/(used in) investing activities** |  | **(2,423)** | **(4,095)** | **1,672** | **(2,580)** |
|  |  |  |  |  |  |
| **Cash flows from financing activities** |  |  |  |  |  |
| ***Inflows*** |  |  |  |  |  |
| Equity injection |  | 2,592 | 2,932 | (340) | 315 |
|  |  |  |  |  |  |
| ***Outflow*** |  |  |  |  |  |
| Finance lease payments |  | (288) | (156) | (132) | - |
| **Net cash provided by/(used in) financing activities** |  | **2,304** | **2,776** | **(472)** | **315** |
|  |  |  |  |  |  |
| Net increase (decrease) in cash and cash equivalents |  | (674) | 1,568 | (2,242) | (4,659) |
| Cash and cash equivalents at beginning of period |  | 12,059 | 12,999 | (940) | 16,718 |
| **Cash and cash equivalents at end of period** | 7 | **11,385** | **14,567** | **(3,182)** | **12,059** |

*The accompanying notes form part of these statements.*

*\* An explanation of major variances is included at Note 18.*

Objectives of the Crime and Corruption Commission

Note 1 Summary of Significant Accounting Policies

Note 2 Grants and Other Contributions

Note 3 Employee Expenses

Note 4 The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions

Note 5 Supplies and Services

Note 6 Other Expenses

Note 7 Cash and Cash Equivalents

Note 8 Property, plant and equipment and Intangible Assets

Note 9 Right-of-use assets and Lease liabilities

Note 10 Payables

Note 11 Accrued Employee Benefits

Note 12 Provisions

Note 13 Reconciliation of Operating Result to Net Cash Provided by Operating Activities

Note 14 Commitments for Expenditure

Note 15 Contingencies

Note 16 Financial Instruments

Note 17 Trust Transactions and Balances

Note 18 Explanation of Major Variances

Objectives of the Crime and Corruption Commission (CCC)

The CCC is a not-for-profit entity that focuses on those matters that are of highest threat to the Queensland community with the aim of helping make our communities safer and ensuring that they are supported by fair and ethical public institutions. The CCC’s key objectives are to combat major crime and reduce corruption in the Queensland public sector.

Note 1: Summary of Significant Accounting Policies

**Significant accounting policies are in the notes to which they relate, except as follows:**

**(a) Statement of Compliance**

These financial statements are general purpose financial statements which have been prepared on an accrual basis, except for the Statement of Cash Flows which is prepared on a cash basis. They are prepared in accordance with:

* Section 43 of the *Financial and Performance Management Standard 2019*
* Applicable Australian Accounting Standards and Interpretations
* Queensland Treasury’s Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2019

Except where stated, the historical cost convention is used. This means that assets are recorded at their initial cost and liabilities are valued at the amount initially received in exchange for obligation.

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in Note 1(h).

**(b) The Reporting Entity**

The financial statements include the value of all assets, liabilities, equity, revenues and expenses of the CCC. The CCC does not control any other entities.

**(c) Other Presentation Matters**

***Currency and rounding***

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest $1,000 or, where that amount is $500 or less, to zero, unless disclosure of the full amount is specifically required.

***Comparatives***

Comparative information has not been restated.

***Current/Non-Current Classification***

Assets and liabilities are classified as either “current” or “non-current” in the Statement of Financial Position and associated notes.

Assets are classified as “current” where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as “current” when they are due to be settled within 12 months after the reporting date, or the CCC does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

**(d) Authorisation of Financial Statements for Issue**

The financial statements are authorised for issue by the Chief Finance Officer, Chief Executive Officer and Chairperson at the date of signing the Management Certificate.

Note 1: Summary of Significant Accounting Policies (cont’d)

**(e) Taxation**

The CCC is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

**(f) Receivables**

Receivables are measured at amortised cost which approximates their fair value and represent amounts owed to the CCC at the end of the reporting period.

Sundry debtors are recognised at the amounts due at the time of service delivery, that is, the agreed sale/contract price. Settlement of these amounts is required within 30 days from invoice date. From 1 July 2018, the CCC has adopted a simplified approach to quantify the level of impaired receivables.

**(g) Accounting Estimates and Judgments**

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgments that have the potential to cause a material adjustment to the carrying amount of assets and liabilities within the next period. Such estimates, judgments and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following financial   
statement notes:

* Accrued Employee Benefits (Note 11)
* Provisions (Note 12)
* Commitments for Expenditure (Note 14)
* Contingencies (Note 15)

**(h) First Year Application of New Accounting Standards or Change in Accounting Policy**

Three new accounting standards were applied for the first time in 2019-20:

* AASB 15 *Revenue from Contracts with Customers*
* AASB 1058 *Income of Not-for-Profit Entities*
* AASB 16 *Leases*

The effect of adopting these new standards is detailed below. No other accounting standards or interpretations that apply to the CCC for the first time in 2019-20 have any material impact on the financial statements.

***Accounting standards early adopted***

No Australian Accounting Standards have been early adopted for 2019-20

**AASB 1058 *Income of Not-for-Profit Entities* and AASB 15 *Revenue from Contracts with Customers***

Adoption of these new standards have no material impact on the CCC financial statements.

Note 1: Summary of Significant Accounting Policies (cont’d)

**(h) First Year Application of New Accounting Standards or Change in Accounting Policy (cont’d)**

**AASB 16 *Leases***

This standard was first applied to the CCC financial statements in 2019-20. It supersedes AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an Arrangement contains a Lease*, AASB Interpretation 115 *Operating Leases – Incentives* and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The CCC measures all right-of-use assets at cost subsequent to initial recognition.

When measuring the lease liability, the CCC uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined, which is the case for all of the CCC’s leases. To determine the incremental borrowing rate, the CCC uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

The Department of Housing and Public Works (DHPW) provides the CCC with access to office accommodation at Green Square, and motor vehicles under government-wide frameworks. These arrangements are categorised as procurement of services rather than as leases because DHPW has substantive substitution rights over the assets. The related service expenses are included in Note 5.

The following table summarises the adjustments to asset and liability balances at 1 July 2019 in relation to former operating leases:

* Statement of financial position impact on 1 July 2019
* $1.236m increase in lease liabilities
* $1.236m increase in right-of-use assets
* $0.487m increase in opening accumulated surplus
* $0.487m decrease in deferred lease and lease incentive liabilities
* Statement of comprehensive income impact in financial year 2019-20, as compared to 2018-19
* $0.309m increase in depreciation expense
* $0.016m increase in interest expense
* $0.304m decrease in supplies and services expense
* This results in a net increase of $0.021m in total expenses
* There were no changes to the Statement of Cash Flows. The total cash outflow for leases was $0.304m in 2019-20.

Refer to Note 9 for further information on Right-of-use assets and lease liabilities.

**(i) Future Impact of Accounting Standards Not Yet Effective**

At the date of authorisation of the financial statements, there are no new or amended accounting standards with future effective dates that are applicable and have a material impact on the CCC.

**(j) Impact of Corona Virus (COVID-19) Pandemic**

In response to COVID-19 impacts on businesses in the community, the CCC is paying its suppliers on zero day payment terms. The CCC also accelerated the remote working capability project to enable all staff to work remotely including the purchase of new information technology hardware and software. No other impacts are deemed to be material to the financial statements, therefore no additional disclosure on COVID-19 is required.

Note 2: Grants and Other Contributions

|  |
| --- |
| **Accounting Policy:**  ***Government Grants*** *–* Government grants are non-reciprocal in nature and are recognised as revenue in the year in which the CCC obtains control over them or the right to receive them.  ***Other Contributions – Services Received Below Fair Value*** *–* The CCC recognises contributions of services only if the services would have been purchased had they not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense. |

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| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |
|  |  |  | **2020**  **$’000** |  | **2019**  **$’000** |
| **Grants** |  |  |  |  |  |
| Queensland Government grant¹ |  |  | 63,924 |  | 57,542 |
|  | | |  |  |  |
| **Other Contributions – Services Received Below Fair Value** | | |  |  |  |
| Archival storage services from Department of Housing and Public Works (DPW) | | | 127 |  | 143 |
| Employee costs for police secondments from Queensland Police Service (QPS)² | |  | 1,026 |  | 970 |
|  |  |  | 1,153 |  | 1,113 |
|  |  |  |  |  |  |
| **Total** |  |  | **65,077** |  | **58,655** |
|  |  |  |  |  |  |

1 The CCC is funded by parliamentary appropriations for the provision of its outputs. These appropriations are received by the Department of Justice and Attorney-General (DJAG) and forwarded to the CCC on a quarterly basis in the form of a grant.

² As at 30 June 2020, 9 police FTEs were seconded to the CCC from the QPS and paid for by the QPS (2019: 8 police FTEs seconded).

Note 3: Employee Expenses

|  |
| --- |
| **Accounting Policy:**  ***Wages, Salaries and Sick Leave*** *–* Salaries and wages due but unpaid at reporting date are recognised as a liability in the Statement of Financial Position. As the CCC expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts. Also refer to Note 11.  Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees, and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.  ***Annual Leave* –** The CCC became a member of the Queensland Government’s Annual Leave Central Scheme (ALCS) starting 1 July 2018. Under this scheme, a levy is made on the CCC to cover the cost of employees’ annual leave (including leave loading and on-costs). The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave are claimed from the scheme quarterly in arrears. Also refer to Note 11.  ***Long Service Leave –*** Under the Queensland Government’s Long Service Leave Central Scheme, a levy is applied on the CCC to cover the cost of employees’ long service leave. Levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears. Also refer to Note 11.  No provision for long service leave is recognised in the CCC’s financial statements, the liability being held on a whole-of-government basis and reported in those financial statements, pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting.*  ***Superannuation –*** Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government’s QSuper defined benefit plan as determined by the employee’s conditions of employment.  *Defined Contribution Plans* - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant Enterprise Bargaining Agreement (EBA) or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee’s service each pay period.  *Defined Benefit Plan* - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the CCC at the specified rate following completion of the employee’s service each pay period. The CCC’s obligations are limited to those contributions paid. |

Note 3: Employee Expenses (cont’d)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **2020** |  | **2019** |
|  |  | **$’000** |  | **$’000** |
| **Employee Benefits** |  |  |  |  |
| Wages and salaries¹ |  | 35,363 |  | 32,497 |
| Annual leave levy/expense |  | 2,421 |  | 2,243 |
| Long service leave levy/expense |  | 889 |  | 711 |
| Employer superannuation contributions |  | 4,554 |  | 4,219 |
| Other employee benefits |  | 153 |  | 130 |
|  |  |  |  |  |
| **Employee Related Expenses** |  |  |  |  |
| Workers’ compensation premium |  | 299 |  | 294 |
| Payroll tax |  | 1,568 |  | 1,365 |
| Other employee related expenses |  | 538 |  | 732 |
| **Total** |  | **45,785** |  | **42,191** |
|  | | | | |
|  | | | | |
|  |  |  |  |  |
| The number of employees including both full-time employees and  part-time employees, measured on a full-time equivalent (FTE) basis is: |  | **2020** |  | **2019** |
|  |  |  |  |  |
| Number of employees² |  | 338 |  | 340 |

1 Wages and salaries includes $313,563 of $1,250 one-off, pro-rata payments for 251 full-time equivalent employees paid in March 2020.

² As at 30 June 2020 it includes 75 (2019: 79) police FTE positions seconded from the QPS and paid for by the CCC.

Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions

**(a) The Commission**

The Commission is the governing body and comprises a full time Commissioner who is the Chairperson, one (1) part-time Commissioner who is the Deputy Chairperson, and three (3) part-time Ordinary Commissioners. The Commission is responsible for providing strategic leadership and direction for the performance of the CCC’s functions. The Chairperson has specific responsibilities relating to the proper performance of the CCC’s functions.

**(b) Chief Executive Officer (CEO)**

The CEO is responsible for the efficient, effective and economic administration of the CCC. The CCC’s financial functions are also delegated to the CEO. The CEO reports to the Commission.

**(c) Key Management Personnel**

The CCC’s responsible Minister is identified as part of the CCC’s KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is the Attorney-General and Minister for Justice. Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland’s Member’s Remuneration Handbook. The CCC does not bear any cost of remuneration to Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury’s Report on State Finances.

The details for non-ministerial KMP reflect those CCC positions that had authority and responsibility for planning, directing and controlling activities of the CCC during 2019-20 and 2018-19. Further information about these positions can be found in the body of the Annual Report under the section relating to Executive Management.

**(d) Remuneration Expenses**

***Part-time Ordinary Commissioners’ Remuneration***

The remuneration paid to part-time Commissioners is determined by the Governor-in-Council and based on rates specified in the guidelines for Remuneration of Part-time Chairs and Members of Government Boards, Committees and Statutory Authorities: Remuneration Procedures. The remuneration amounts shown include superannuation.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name of  Commissioner** | **Position** | **Date of term commencement** | **2020** | **2019** |
| **$’000** | **$’000** |
| \*Deborah Holliday | Ordinary Commissioner | Acting 11 November 2016 to 10 February 2017  10 March 2017 to current | 47 | 67 |
| Anne  Tiernan | Ordinary Commissioner | Acting 11 November 2016 to 10 February 2017  10 March 2017 to current | 46 | 46 |
| Sydney Williams | Deputy  Chairperson | 1 November 2014 to current | 46 | 46 |
| \*Marshall  Irwin | Ordinary Commissioner | 1 March 2016 to current | 73 | 46 |
| **Total** |  |  | **212** | **205** |

\*Remuneration expenses include costs in relation to acting arrangements established during the year.

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| Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions (cont’d)  **(d) Remuneration Expenses (cont’d)**  ***Chairperson Remuneration***  The remuneration paid to the Chairperson is determined by the Governor-in-Council and is equivalent to the superannuable salary of a Supreme Court judge, other than the Chief Justice or the President of the Court of Appeal, as provided for under the *Judicial Remuneration Act 2007*. The Chairperson’s remuneration increased from $458,840 to $468,020 starting 1 July 2019.  The Chairperson’s conditions of employment includes a jurisprudential allowance, an expense of office allowance, vehicle allowance, leave equivalent to the public service and a pension in accordance with the provisions of the *Crime and Corruption Act 2001*. The Chairperson is not eligible for a performance bonus.  ***Chief Executive Officer (CEO) and Senior Executive Remuneration***  The remuneration paid to the CEO is determined by the Governor- in-Council; however, remuneration policy for both the CCC’s CEO and senior executive personnel is based on rates set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*, and approved by the Minister.  For the 2019-20 year, in accordance with government policy, the remuneration for the CEO and senior executive personnel did not increase.  Remuneration expenses for key management personnel comprise the following components:   * Short-term employee expenses which include: * salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied the senior executive position * non-monetary benefits — consisting of provision of vehicles together with fringe benefits tax applicable to the benefit and car parking benefits * Long-term employee expenses include amounts expensed in respect of long service leave entitlements earned * Post-employment expenses include amounts expensed in respect of employer superannuation obligations * Termination benefits are provided for within individual contracts of employment for senior executive personnel only. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for the termination * The CEO and senior executive personnel contracts do not provide for performance bonuses.   The remuneration and other terms of employment for the senior executive personnel are specified  in employment contracts.  Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions (cont’d)  **(d) Remuneration Expenses (cont’d)**  **1 July 2019 – 30 June 2020**   |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | | **Position** | **Contract classification and appointment authority** | **Monetary Expenses**  **$’000** | **Long-Term Employee Expenses**  **$’000** | **Post-Employment Expenses**  **$’000** | **Termination Benefits $’000** | **Total Expenses**  **$’000** | | Chairperson – 1 September 2015 to current | Crime *and Corruption Act 2001* | 526 | 12 | – | – | 538 | | Chief Executive Officer – 24 August 2018 to current | CEO, *Crime and Corruption Act 2001* | 304 | 7 | 35 | – | 346 | | Senior Executive Officer, Corruption – 3 October 2017 to current\* | SES4, *Crime and Corruption Act 2001* | 252 | 6 | 28 | – | 286 | | Senior Executive Officer, Crime –  3 July 2017 to current | SES4, *Crime and Corruption Act 2001* | 239 | 6 | 27 | – | 272 | | General Manager, Corporate Services (previously Acting Executive Director, Corporate Services) – 1 April 2019 to current | SES3, *Crime and Corruption Act 2001* | 207 | 5 | 22 | – | 234 | | General Manager, Operations Support¹ – 22 January 2018 to 16 March 2020 | Chief Superintendent, *Crime and Corruption Act 2001* | 141 | 3 | 23 | – | 167 | | Acting General Manager, Operations Support – 16 March 2020 to 4 May 2020 | Chief Superintendent, *Crime and Corruption Act 2001* | 26 | 1 | 4 | – | 31 | | General Manager, Operations Support – 5 May 2020 to current | Chief Superintendent, *Crime and Corruption Act 2001* | 28 | 1 | 5 | – | 34 | | General Manager, Strategy Innovation and Insights (previously Acting Executive Director, Strategy Innovation and Insights) – 1 April 2019 to current | SES3, *Crime and Corruption Act 2001* | 207 | 5 | 23 | – | 235 | | **Total Remuneration** |  | **1,930** | **46** | **167** | – | **2,143** |   ¹ The General Manager, Operations Support received a non-monetary motor vehicle benefit of $5,133 during the period.  \* Remuneration expenses include costs in relation to acting arrangements established during the year.  Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions (cont’d)  **(d) Remuneration Expenses (cont’d)**  **1 July 2018 – 30 June 2019**   |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | | **Position** | **Contract classification and appointment authority** | **Monetary Expenses**  **$’000** | **Long-Term Employee Expenses**  **$’000** | **Post-Employment Expenses**  **$’000** | **Termination Benefits $’000** | **Total**  **Expenses**  **$’000** | | Chairperson¹ – 1 September 2015 to current | Crime *and Corruption Act 2001* | 494 | 10 | – | – | 504 | | Chief Executive Officer – 1 January 2016 to 23 July 2018 | CEO, *Crime and Corruption Act 2001* | 4 | – | 2 | – | 6 | | Chief Executive Officer² – 24 August 2018 to current | CEO, *Crime and Corruption Act 2001* | 311 | 6 | 28 | – | 345 | | Senior Executive Officer, Corruption (previously Executive Director) –  3 October 2017 to current | SES4, *Crime and Corruption Act 2001* | 230 | 5 | 26 | – | 261 | | Senior Executive Officer, Crime (previously Executive Director) – 3 July 2017 to current\* | SES4, *Crime and Corruption Act 2001* | 253 | 5 | 28 | – | 286 | | Executive Director, Corporate Services (previously Executive Director, Strategic and Corporate Services) – 5 November 2018 to 31 March 2019³ | SES3, *Crime and Corruption Act 2001* | 87 | 2 | 10 | – | 99 | | Acting Executive Director, Strategic and Corporate Services – 24 August 2018 to 2 November 2018 | SES3, *Crime and Corruption Act 2001* | 42 | 1 | 4 | – | 47 | | Executive Director, Operations Support⁴ – 22 January 2018 to current | Chief Superintendent, *Crime and Corruption Act 2001* | 176 | 3 | 31 | – | 210 | | Acting Executive Director, Strategy Innovation and Insights – 1 April 2019 to current³ | SES3, *Crime and Corruption Act 2001* | 50 | 1 | 6 | – | 57 | | Director, Financial Investigations – 18 March 2013 to 17 August 2018 | SES2, *Crime and Corruption Act 2001* | 29 |  | 2 | – | 31 | | Acting Director, Financial Investigations – 13 August 2018 to 31 May 2019 | SES2, *Crime and Corruption Act 2001* | 163 | 3 | 16 | – | 182 | | Director, Legal Services – 26 April 2012 to current\* | SES2, *Crime and Corruption Act 2001* | 168 | 3 | 19 | – | 190 | | Director, Research and Policy –  17 February 2012 to current\* | SES2, *Crime and Corruption Act 2001* | 193 | 4 | 20 | – | 217 | | Director, Intelligence – 23 November 2012 to current | SO, *Crime and Corruption Act 2001* | 128 | 3 | 16 | – | 147 | | **Total Remuneration** |  | **2,328** | **46** | **208** | – | **2,582** |   1 The Chairperson received a non-monetary motor vehicle benefit of $20,540 during the period.  ² Remuneration expenses include costs in relation to acting in the Chief Executive Officer role from 1 July to 23 August 2018.  ³ The Executive Director, Corporate Services started acting in the Executive Director, Strategy Innovation and Insights role from 1 April 2019.  ⁴ The Executive Director, Operations Support received a non-monetary motor vehicle benefit of $7,539 during the period.  \* Remuneration expenses include costs in relation to acting arrangements established during the year.  Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions (cont’d)  **(e) Related Party Transactions**  ***Transactions with people/entities related to KMP***  The CCC obtained related party declarations for each member of the Commission and key executive management personnel for the period 1 July 2019 to 30 June 2020. No related party transactions have been identified as per AASB 124 *Related Party Disclosures* from the declarations completed and searches performed.  ***Transactions with other Queensland Government-controlled entities***  The CCC’s primary ongoing sources of funding are from the Department of Justice and Attorney-General and are provided in cash for its revenue (Note 2) and equity injections (see Statement of Changes in Equity). The CCC has material transactions with other Queensland Government-controlled entities consistent with normal day-to-day business operations provided under standard terms and conditions, including the payment of worker's compensation and insurance premiums:   * Queensland Treasury Corporation – term deposit investments (Note 7) * Queensland Police Service – employee secondments (Note 2 and 3) * WorkCover Queensland – obligations for employee compensation insurance (Note 3) * Department of Housing and Public works – property tenancy and maintenance, archival storage and fleet vehicle services (Note 2, 5 and 6) * Corporate Administration Agency - financial and payroll systems and processing services under the ‘Shared Services Provider’ model (Note 5) * Queensland Government Insurance Fund – general liability insurance including public and products liability (Note 6) * Queensland Audit Office – financial statement audit services (Note 6)   Note 5: Supplies and Services   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  | **2020** |  | **2019** | |  |  | **$’000** |  | **$’000** | |  |  |  |  |  | | Property rentals |  | 4,062 |  | 4,220 | | Information technology (IT) hardware and software maintenance1 |  | 1,947 |  | 986 | | Software purchases1 |  | 498 |  | 153 | | Consultants and contractors1 |  | 3,584 |  | 2,271 | | Corporate service providers |  | 310 |  | 371 | | Electricity |  | 266 |  | 286 | | Furniture and equipment (non-asset) |  | 675 |  | 825 | | Telecommunications and access costs |  | 1,370 |  | 1,238 | | Legal costs |  | 384 |  | 477 | | Building and equipment maintenance |  | 450 |  | 327 | | Motor vehicle running costs |  | 462 |  | 475 | | Operational expenses |  | 299 |  | 323 | | Security |  | 459 |  | 436 | | Travel |  | 440 |  | 557 | | Other |  | 627 |  | 549 | | **Total** |  | **15,833** |  | **13,494** |   1 In response to COVID-19 impacts the Commission accelerated the DWP remote working capability project to enable all staff to work remotely (See Note 1).  Note 6: Other Expenses   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  | **2020** |  | **2019** | |  |  | **$’000** |  | **$’000** | |  |  |  |  |  | | External audit fees¹ |  | 65 |  | 63 | | Insurance Premiums² |  | 32 |  | 27 | | Services received below fair value (see Note 2) |  | 1,153 |  | 1,113 | | Losses – On disposal of property, plant and equipment |  | 118 |  | 83 | | Special payments³ |  | - |  | 11 | | Sundry expenses |  | 31 |  | 36 | | **Total** |  | **1,399** |  | **1,333** |   1 Estimate of fees payable to Queensland Audit Office relating to the 2019–20 financial statements is $64,500 (2019 fee: $63,000).  2 The CCC’s non–current physical assets and other risks are insured through the Queensland Government Insurance Fund, premiums being paid on a risk assessment basis. Insurance claims are subject to a $10,000 deductible per claim.  3 Special payments include ex gratia expenditure and other expenditure that the CCC is not contractually or legally obligated to make to other parties.  Note 7: Cash and Cash Equivalents   |  | | --- | | **Accounting Policy:**  ***Cash and Cash Equivalents –*** Cash and cash equivalents include all cash and cheques receipted but not banked at 30 June. Term deposits are held with major banking institutions and/or Queensland Treasury Corporation and represent liquid investments with short periods to maturity that are readily convertible to cash on hand at the CCC’s option and that are subject to a low risk of changes in value. |  |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  | **2020** |  | **2019** | |  |  | **$’000** |  | **$’000** | |  |  |  |  |  | | Imprest accounts |  | 7 |  | 8 | | Cash at bank |  | 1,661 |  | 1,570 | | Term deposits |  | 9,717 |  | 10,481 | | **Total** |  | **11,385** |  | **12,059** |   Note 8: Property, plant and equipment and Intangible Assets   |  | | --- | | **Accounting Policy:**  ***Recognition –*** The CCC only recognises assets in the Statement of Financial Position where their initial acquisition costs exceed a set monetary threshold with assets below this value being expensed:  Plant and Equipment $5,000  Intangible Assets $100,000  Items comprising the CCC’s technical library are expensed on acquisition.  ***Cost of Acquisition*** – Assets are initially recorded at their purchase price plus any costs incurred that are directly attributable to bringing the asset to the location and condition necessary for it to be able to operate as intended. This includes direct costs associated with the design and implementation of software.  Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised, and the new depreciable amount is depreciated over the remaining useful life of the asset to the CCC. Routine repair and maintenance costs, minor renewal costs and costs of training staff in the use of the asset are not included in the cost of acquisition, but instead are expensed when incurred.  ***Measurement*** – The CCC uses the historical cost model to measure assets after they are recognised, which means that assets are carried at their acquisition cost less accumulated depreciation and any accumulated impairment losses. The carrying amounts for plant and equipment measured at cost approximate their fair value at reporting date.  ***Depreciation and Amortisation Expense*** – Property, plant and equipment and intangible assets have finite useful lives and are depreciated and amortised on a straight-line basis over the period of time of the expected benefit to the CCC.  Straight line depreciation and amortisation is used reflecting the expected even consumption of economic benefits on a progressive basis over the useful life of property, plant and equipment and intangible assets. |   Note 8: Property, plant and equipment and Intangible Assets (cont’d)   |  | | --- | | Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity, that is, when the asset is available for use and is operating in the manner intended by management. These assets are then reclassified to the relevant asset class.  Each class of depreciable and intangible assets is depreciated or amortised based on the following useful lives.  *Plant and Equipment:*  Motor Vehicles 2–5 years  Computer Equipment 3–8 years  General and Technical Equipment 3–15 years  Leasehold Improvements 6–18 years  *Intangible Assets:*  Software 7–12 years  The useful lives of plant and equipment and intangible assets were reviewed during the reporting period and adjusted where necessary.  ***Impairment*** – Impairment of non-current physical and intangible assets is the decline in the service potential of an asset over and above the use reflected through depreciation.  All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the CCC determines the assets recoverable amount. Any amount by which the asset’s carrying amount exceeds the recoverable amount is recorded as an impairment loss. An impairment loss is recognised immediately in the Statement of Comprehensive Income.  As part of the stocktake process, impairment was assessed over all CCC assets. The result of this review was that no asset was impaired. |   Note 8A: Intangible Assets   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  | **2020** |  | **2019** | |  |  | **$’000** |  | **$’000** | | Software¹ |  |  |  |  | | At cost |  | 888 |  | 888 | | Less: Accumulated amortisation |  | (815) |  | (781) | |  |  | 73 |  | 107 | | Work in Progress 2 |  |  |  |  | | At cost |  | 2,853 |  | 1,175 | |  |  |  |  |  | | **Total** |  | **2,926** |  | **1,282** |   ¹ The CCC’s software comprises of an Electronic Document and Records Management System (EDRMS).  2 A new Integrated Case Management System (ICMS) and various computer applications under the Digital Workplace Program (DWP) are also currently being developed.  Note 8: Property, plant and equipment and Intangible Assets (cont’d)  Note 8A: Intangible Assets (cont’d)  Intangibles Reconciliation   |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | |  | **Software Purchased** | | **Software  Work in Progress** | | **Total** | | |  | **2020** | **2019** | **2020** | **2019** | **2020** | **2019** | |  | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | |  |  |  |  |  |  |  | | Carrying amount at 1 July | 107 | 188 | 1,175 | 147 | 1,282 | 335 | | Acquisitions | - | - | 1,678 | 1,028 | 1,678 | 1,028 | | Amortisation¹ | (34) | (81) | - | - | (34) | (81) | | **Carrying amount at 30 June** | **73** | **107** | **2,853** | **1,175** | **2,926** | **1,282** |   **¹** Amortisation of intangibles is included in the line item “Depreciation and amortisation” in the Statement of Comprehensive income.  Note 8B: Property, Plant and Equipment   |  |  |  |  | | --- | --- | --- | --- | |  |  | **2020** | **2019** | |  |  | **$’000** | **$’000** | | Motor vehicles: |  |  |  | | At cost |  | 1,753 | 1,705 | | Less: Accumulated depreciation | | (464) | (432) | |  |  | 1,289 | 1,273 | | Computer equipment: |  |  |  | | At cost |  | 3,671 | 3,575 | | Less: Accumulated depreciation | | (2,049) | (1,678) | |  |  | 1,622 | 1,897 | | General and technical equipment: | |  |  | | At cost |  | 2,191 | 1,971 | | Less: Accumulated depreciation | | (1,191) | (935) | |  |  | 1,000 | 1,036 | | Leasehold improvements: |  |  |  | | At cost |  | 15,149 | 15,242 | | Less: Accumulated depreciation | | (11,603) | (11,107) | |  |  | 3,546 | 4,135 | | Work in Progress: |  |  |  | | At cost |  | - | 272 | |  |  |  |  | | **Total** |  | **7,457** | **8,613** | |
|  |

Note 8: Property, plant and equipment and Intangible Assets (cont’d)

Note 8B: Property, Plant and Equipment (cont’d)

Property, Plant and Equipment Reconciliation

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Motor** | | **Computer** | | **General and technical equipment** | | **Leasehold improvements** | | **Work** | | **Total** | |
|  | **vehicles** | | **equipment** | | **in progress** | |
|  | **2020** | **2019** | **2020** | **2019** | **2020** | **2019** | **2020** | **2019** | **2020** | **2019** | **2020** | **2019** |
|  | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Carrying amount at 1 July | 1,273 | 1,127 | 1,897 | 612 | 1,036 | 853 | 4,135 | 4,866 | 272 | 1,604 | 8,613 | 9,062 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Acquisitions | 683 | 730 | 155 | 645 | 178 | 450 | 84 | - | - | - | 1,100 | 1,825 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Revaluation increments | - | - | - | - | - | - | - | - | - | - | - | - |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Disposals1 | (342) | (264) | - | (2) | (8) | (7) | (31) | - | - | - | (381) | (273) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Transfers between classes | - | - | 151 | 1,332 | 121 | - | - | - | (272) | (1,332) | - | - |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Restoration cost adjustment | - | - | - | - | - | - | 6 | 4 | - | - | 6 | 4 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Depreciation2 | (325) | (320) | (581) | (690) | (327) | (260) | (648) | (735) | - | - | (1,881) | (2,005) |
| **Carrying amount at 30 June** | **1,289** | **1,273** | **1,622** | **1,897** | **1,000** | **1,036** | **3,546** | **4,135** | **-** | **272** | **7,457** | **8,613** |

1 Any gain or loss on disposal is recognised at the date of disposal and is the difference between the consideration received and the carrying/book value of the asset at the time.

2 Depreciation is included in the line item “Depreciation and amortisation” in the Statement of Comprehensive Income.

Note 9: Right-of-use and lease liabilities

|  |
| --- |
| **Accounting Policy:**  A new accounting standard AASB 16 *Leases* came into effect in 2019-20, resulting in significant changes to the CCC’s accounting for leases for which it is lessee.  The CCC has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets, where it is expected to cost less than $10,000 when new.  When measuring the lease liability, the CCC uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined, which is the case for all of the CCC’s leases. To determine the incremental borrowing rate, the CCC uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease. |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Right-of-use assets** |  | **2020** |  | **2019** |
|  |  | **$’000** |  | **$’000** |
|  |  |  |  |  |
| Recognition on 1 July 2019 |  | 1,236 |  | - |
| Less: Depreciation |  | (309) |  | - |
| **Total** |  | **927** |  | **-** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Lease Liability** |  | **2020** |  | **2019** |
|  |  | **$’000** |  | **$’000** |
| **Current** |  |  |  |  |
| Finance lease liability¹ |  | 302 |  | - |
| Lease incentive liability² |  | - |  | 24 |
| **Total** |  | **302** |  | **24** |
|  |  |  |  |  |
| **Non-Current** |  |  |  |  |
| Finance lease liability¹ |  | 646 |  | - |
| Lease incentive liability² |  | - |  | 463 |
| **Total** |  | **646** |  | **463** |

¹ The CCC entered into a three year office accommodation lease on 1 April 2017 to 30 June 2020. On 9 December 2019, a lease agreement for the same property was signed through to 30 June 2023. As at 1 July 2019, the CCC recognised $1.236m lease liability and Right-of-Use (RoU) asset under AASB 16.

² As at 30 June 2019, the CCC had recognised $462,860 in deferred lease liabilities and $23,897 in lease incentive liabilities under AASB 117 paragraph 33. Under AASB 16 C8(b)(i), the CCC derecognised its deferred lease liability and lease incentive liability as at 1 July 2019.

*Maturity analysis*

The following table shows the undiscounted value for CCC lease liabilities

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | | **Payable in** | | |
|  | < 1 year | 1–5 years | | > 5 years | Total |
|  | $’000 | $’000 | | $’000 | $’000 |
| Lease liabilities | **313** | **655** | | **–** | **968** |

Note 10: Payables

|  |
| --- |
| **Accounting Policy:**  ***Payables*** – The CCC recognises creditors upon receipt of the goods or services and are measured at the agreed purchase price or contract price including any trade and other discounts when goods and services ordered are received. Amounts owing are unsecured, and are generally settled on 30-day terms. |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **2020** |  | **2019** |
|  |  | **$’000** |  | **$’000** |
| **Contractual Payables** |  |  |  |  |
| Creditors¹ |  | 886 |  | 2,236 |
| Queensland Police Service2 |  | (85) |  | 898 |
|  |  | **801** |  | **3,134** |
| **Statutory Payables** |  |  |  |  |
| Payroll Tax |  | 187 |  | 169 |
| Superannuation |  | 84 |  | 58 |
| Fringe Benefits Tax |  | 35 |  | 35 |
|  |  | **306** |  | **262** |
|  |  |  |  |  |
| **Total** |  | **1,107** |  | **3,396** |

1 In response to COVID-19 impacts the Commission is paying its suppliers on zero day payment term. (See Note 1).

2 Reimbursement of staff salaries and related on-costs for police seconded to the CCC. The CCC received a credit note in June 2020 for a QPS funded police position.

Note 11: Accrued Employee Benefits

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **2020** |  | **2019** |
|  |  | **$’000** |  | **$’000** |
|  |  |  |  |  |
| Wages outstanding |  | 419 |  | 831 |
| Annual leave levy payable |  | 669 |  | 643 |
| Long service leave levy payable |  | 164 |  | 139 |
| **Total** |  | **1,252** |  | **1,613** |

Note 12: Provisions

|  |
| --- |
| **Accounting Policy:**  ***Recognition and Measurement*** – Provisions are recorded when the CCC has a present obligation, either legal or constructive, as a result of a past event, and the amount of the provision can be reliably measured. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period.  The provision for restoration costs relate to clauses in lease agreements for office accommodation which require the CCC to restore the leased premises to their original condition. As the settlement of the obligation is expected after 12 or more months, the provision has been discounted to reflect the present value of these obligations using a rate that reflects current market assessments and risks specific to the liability. The finance costs relate to unwinding of the discount on the provision. |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
|  |  | **2020** |  | **2019** |
|  |  | **$’000** |  | **$’000** |
|  |  |  |  |  |
|  |  |  |  |  |
| Restoration costs |  | 208 |  | 256 |
| **Total** |  | **208** |  | **256** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
|  |  | **2020** |  | **2019** |
|  |  | **$’000** |  | **$’000** |
|  |  |  |  |  |
| **Movements in provisions** |  |  |  |  |
| **Restoration Costs** |  |  |  |  |
| Balance at 1 July |  | 256 |  | 246 |
| Additional provision made |  | 6 |  | 4 |
| Provision utilised through payments / derecognition |  | (56) |  | - |
| Finance Costs |  | 2 |  | 6 |
| **Balance at 30 June** |  | **208** |  | **256** |

Note 13: Reconciliation of Operating Result to Net Cash Provided by Operating Activities

|  |  |  |
| --- | --- | --- |
|  | **2020** | **2019** |
|  | **$’000** | **$’000** |
|  |  |  |
| Operating result from continuing operations | 286 | 216 |
| Depreciation and amortisation expense | 2,224 | 2,086 |
| Impairment losses | - | 5 |
| Losses on disposal of property, plant and equipment | 118 | 83 |
| Gains on disposal of property, plant and equipment | (18) | (90) |
| Other Revenue | (88) | - |
| Finance costs | 18 | 6 |
|  |  |  |
| **Change in asset and liabilities:** |  |  |
| (Increase)/decrease in other receivables | (23) | 54 |
| (Increase)/decrease in GST input tax receivable | (70) | 66 |
| (Increase)/decrease in long service leave reimbursement receivable | 95 | 3 |
| (Increase)/decrease in annual leave reimbursement receivable | 199 | (450) |
| (Increase)/decrease in interest receivable | 12 | 9 |
| (Increase)/decrease in prepayments | (595) | (591) |
| Increase/(decrease) in accounts payable | (2,289) | (1,473) |
| Increase/(decrease) in accrued employee benefits | (361) | (1,601) |
| Increase/(decrease) in GST payable | (5) | 4 |
| Increase/(decrease) in unearned revenue | (10) | (700) |
| Increase/(decrease) in provisions | (48) | - |
| Increase/(decrease) in lease liability | - | (21) |
| **Net Cash Provided by operating activities** | **(555)** | **(2,394)** |

Note 14: Commitments for Expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the statement of financial position. Commitments at reporting date are disclosed at their nominal value inclusive of anticipated GST and are payable as follows:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Property** | | **Vehicle** | | **Capital** | | **Other** | | **Total** | |
| **Rentals¹** | | **Leases** | | **Expenditure** | | **Expenditure** | | **Commitments** | |
| **2020** | **2019** | **2020** | **2019** | **2020** | **2019** | **2020** | **2019** | **2020** | **2019** |
| **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** |
| Not later than one year | 4,166 | 4,379 | 97 | 120 | 796 | 1,138 | 1,417 | 1,433 | 6,476 | 7,070 |
| Later than one year and  not later than five years | 31,113 | 4,198 | 53 | 72 | 44 | 434 | 969 | 559 | 32,179 | 5,263 |
| Later than five years | - | - | - | - | - | - | - | - | - | - |
| **Total** | **35,279** | **8,577** | **150** | **192** | **840** | **1,572** | **2,386** | **1,992** | **38,655** | **12,333** |

1 Property rentals for office accommodation are non-cancellable and have a renewal option that is exercisable at market prices. Lease payments are generally fixed, and no lease arrangements create restrictions on other financing transactions.

Note 15: Contingencies

|  |
| --- |
| **Accounting Policy:**  ***Recognition*** – Contingent assets and liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. |

**Litigation in progress**

As at 30 June 2020, 20 cases (2019: 22 cases) were ongoing before various courts, naming the CCC as either an applicant or respondent:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **2020** |  | **2019** |
|  |  | **Number of Cases** |  | **Number of Cases** |
|  |  |  |  |  |
| Court of Appeal/High Court |  | 2 |  | 3 |
| Supreme Court |  | 1 |  | 5 |
| Queensland Civil and Administrative Tribunal (QCAT) |  | 17 |  | 14 |
| **Total** |  | **20** |  | **22** |

It is not possible to make a reliable estimate of the final costs, if any, that could be recovered or payable from these cases at this time

Note 16: Financial Instruments

|  |
| --- |
| **Accounting Policy:**  ***Recognition*** –  Financial assets and financial liabilities are recognised in the Statement of Financial Position when the CCC becomes party to the contractual provisions of the financial instrument.  ***Classification and Measurement*** – Financial instruments are classified and measured as follows:  *Financial Assets:*  Cash and cash equivalents – held at fair value through profit and loss  Contractual Receivables – held at amortised cost  *Financial Liabilities:*  Contractual Payables – held at amortised cost  Lease Liabilities – held at amortised cost |

Note 16: Financial Instruments (cont’d)

**(a) Categorisation of Financial Instruments**

The CCC has the following categories of financial assets and financial liabilities:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Note** | **2020** |  | **2019** |
|  |  | **$’000** |  | **$’000** |
|  |  |  |  |  |
| **Financial assets** |  |  |  |  |
| Cash and cash equivalents | 7 | 11,385 |  | 12,059 |
| Contractual receivables |  | 430 |  | 713 |
| **Total** |  | **11,815** |  | **12,772** |
| **Financial liabilities** |  |  |  |  |
| Contractual payables | 10 | 801 |  | 3,134 |
| Lease liabilities | 9 | 948 |  | 487 |
| **Total** |  | **1,749** |  | **3,621** |

**(b) Financial Risk Management**

The CCC’s activities expose it to a variety of financial risks — interest rate risk, credit risk, liquidity risk and   
market risk. The CCC provides written principles for overall risk management as well as policies covering specific areas. These policies focus on the financial performance of the CCC. All financial risk is managed by the Corporate Services Division under policies approved by the Commission.

***Credit Risk Exposure***

Credit risk exposure refers to the situation where the CCC may incur financial loss as a result of another party to a financial instrument failing to discharge its obligation. The CCC monitors exposure to credit risk on an ongoing basis.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment. The CCC manages credit risk by ensuring that it invests in secure assets and monitors all funds owed on a regular basis. The following table represents the CCC’s maximum exposure to credit risk based on contractual amounts net of any allowances:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Maximum Exposure to Credit Risk** |  | **2020** |  | **2019** |
| ***Category:*** | **Note** | **$’000** |  | **$’000** |
|  |  |  |  |  |
| **Financial Assets** |  |  |  |  |
| Cash and cash equivalents | 7 | 11,378 |  | 12,051 |
| Contractual receivables |  | 430 |  | 713 |
| **Total** |  | **11,808** |  | **12,764** |

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired.

The CCC did not have any financial assets that were past due but not impaired in the current or previous period.

Note 16: Financial Instruments (cont’d)

**(b) Financial Risk Management (cont’d)**

***Liquidity* *Risk***

Liquidity risk refers to the situation where the CCC may encounter difficulty in meeting obligations associated   
with these financial liabilities that are settled by delivering cash or another financial asset.

The CCC manages liquidity risk by ensuring the CCC has sufficient funds available to meet employee   
and supplier obligations as they fall due. This is achieved by ensuring that sufficient levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities. The following table sets out the liquidity risk of financial liabilities held by the CCC.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Payable in** | | | | | | **Total** | |
|  | **Note** | **< 1 year** | | **1–5 years** | | **> 5 years** | |
|  |  | **2020** | **2019** | **2020** | **2019** | **2020** | **2019** | **2020** | **2019** |
|  |  | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** | **$’000** |
| **Financial liabilities** |  |  |  |  |  |  |  |  |  |
| Contractual Payables | 10 | 801 | 3,134 | - | - | - | - | 801 | 3,134 |
| Lease liabilities | 9 | 948 | 487 | - | - | - | - | 948 | 487 |
| **Total** |  | **1,749** | **3,621** | **-** | **-** | - | **-** | **1,749** | **3,621** |

***Market* *Risk***

Market risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

The CCC does not trade in foreign currency. It manages price risk and interest rate risk through its liquidity management strategy and by ensuring that expenditure is within funding levels.

Exposure to interest rate risk is limited to cash assets bearing variable interest rates. The CCC minimises risk by investing in secure short–term investments, mainly fixed term deposits, in accordance with Part 6 of the *Statutory Bodies Financial Arrangements Act 1982*.

**(c) Fair Value**

The fair value of receivables and payables is the transaction cost or the face value. The CCC considers that the carrying amount of receivables and payables represent fair value at the balance date because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

Note 17: Trust Transactions and Balances

**Operational Activities**

The CCC undertakes certain trustee transactions on behalf of individuals as a result of operational activities. As the CCC acts only in a custodial role in respect of these transactions and balances, they are not recognised in the financial statements but are disclosed separately under this note.

At 30 June 2020, the CCC held $103,344.40 (2019: $75,679.40) in a trust bank account as a result of operational activities.

Note 18: Explanation of Major Variances

**Note 18A: Explanation of Major Variances – Statement of Comprehensive Income**

|  |  |
| --- | --- |
| *Grants and other contributions:* | The decrease is mainly due to the return of approved funding from timing adjustments for specialist staff recruitment and deferral of operating costs for the ICMS and DWP. |
| *Interest:* | The decrease is due to decreased cash than originally budgeted and lower than budgeted interest rates as a result of market conditions. |
| *Employee expenses:* | The increase is mainly due to government funding for one-off payments of $1,250 for employees (See note 3). |
| *Supplies and services:* | The decrease is mainly due to timing adjustments in relation to the new commissioning of the ICMS and DWP partially offset by higher levels of expenditure in repairs and maintenance and other supplies and services. |
| *Depreciation and amortisation:* | The decrease is due to timing differences in the purchase and/or commissioning of intangible assets and property, plant and equipment |
| *Finance costs:* | The decrease is due to lower than budgeted costs for the implementation of the new leasing standard (See note 9) |
| *Other expenses:* | The increase is mainly due to the loss on disposal of some property, plant and equipment (Refer to note 6). |

**Note 18B: Explanation of Major Variances – Statement of Financial Position**

|  |  |
| --- | --- |
| *Cash and cash equivalents:* | The decrease in cash assets is mainly due to an increased capital spend during 2019-20 and a larger decrease in current liabilities than originally budgeted. |
| *Other assets:* | The increase is due to higher than budgeted prepaid expenses and receivables for employee leave cost recoveries. |
| *Intangible assets:* | The decrease in intangibles is primarily due to extending the timeframe for implementation of the new ICMS and DWP. |
| *Property, plant and equipment:* | The decrease in property plant and equipment is primarily due to reprioritisation of information technology infrastructure replacement. |
| *Accrued employee benefits:* | The increase is mainly due to the annual leave levy payable owing at 30 June 2020 being higher than what was originally budgeted |
| *Lease liabilities:* | The increase is due to a lower than budgeted estimate for the liabilities for the implementation of the new leasing standard (See note 9) |
| *Total equity:* | The increase is mainly due to the current year surplus. |

**Note 18: Explanation of Major Variances (cont’d)**

**Note 18C: Explanation of Major Variances – Statement of Cash Flows**

|  |  |
| --- | --- |
| *Grants and other contributions:* | The decrease is mainly due to the return of approved funding from project savings and deferral operating costs for the ICMS and DWP. |
| *Interest:* | The decrease is due to decreased cash than originally budgeted and lower than budgeted interest rates as a result of market conditions. |
| *Employee expenses:* | The increase is mainly due to government funding for one-off payments of $1,250 for employees (See note 3) and payment of leave entitlements to be recovered from the ALCS. |
| *Supplies and services:* | The decrease is mainly due to timing adjustments in relation to the new commissioning of the information security platform and integrated case management system partially offset by higher levels of expenditure in repairs and maintenance and other supplies and services. |
| *Payments for intangibles* | The decrease is due to extending the timeframe for implementation of the new integrated case management system. |
| *Payment for property, plant and equipment:* | The decrease is due to reprioritisation of information technology infrastructure replacement. |
| *Equity injections:* | The decrease is due to extending the timeframe for implementation of the new ICMS and DWP. |

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 43 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

1. the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
2. the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Crime and Corruption Commission for the financial year ended 30 June 2020 and of the financial position of the Commission at the end of that year; and

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.

Alan MacSporran QC Jen O’Farrell

Chairperson Chief Executive Officer

Crime and Corruption Commission Crime and Corruption Commission

Date: 21 August 2020 Date: 21 August 2020

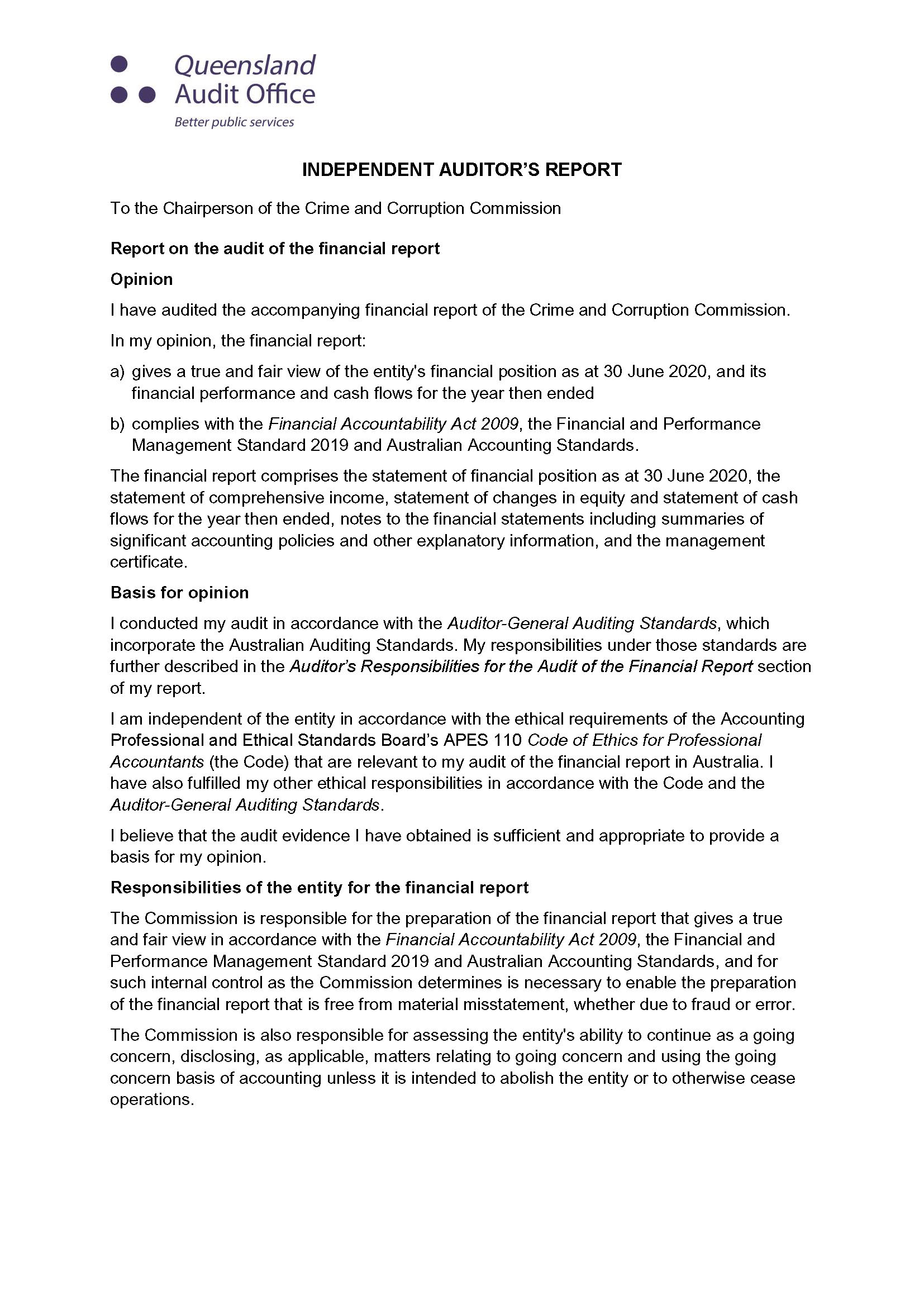


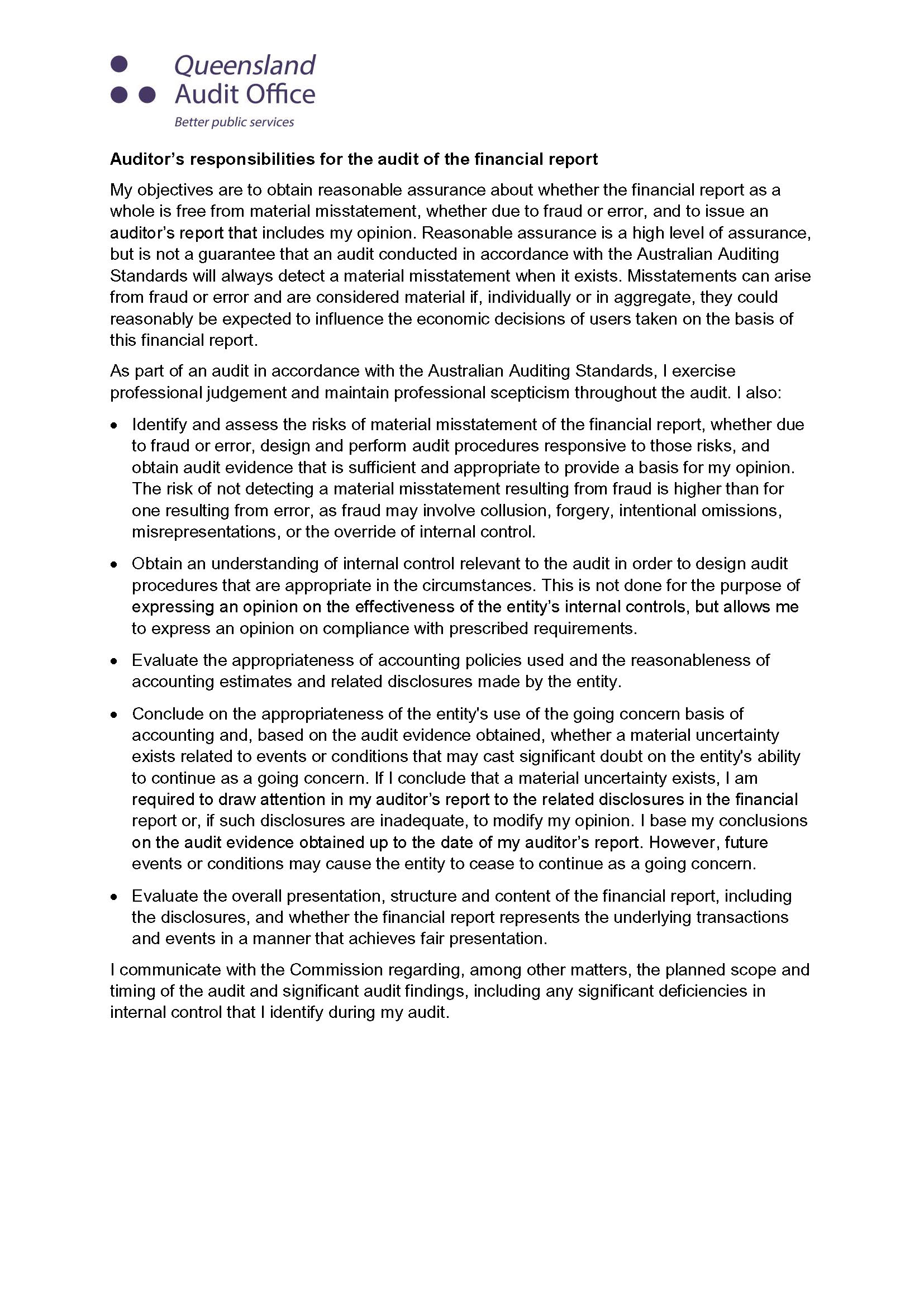
Paul Bracegirdle

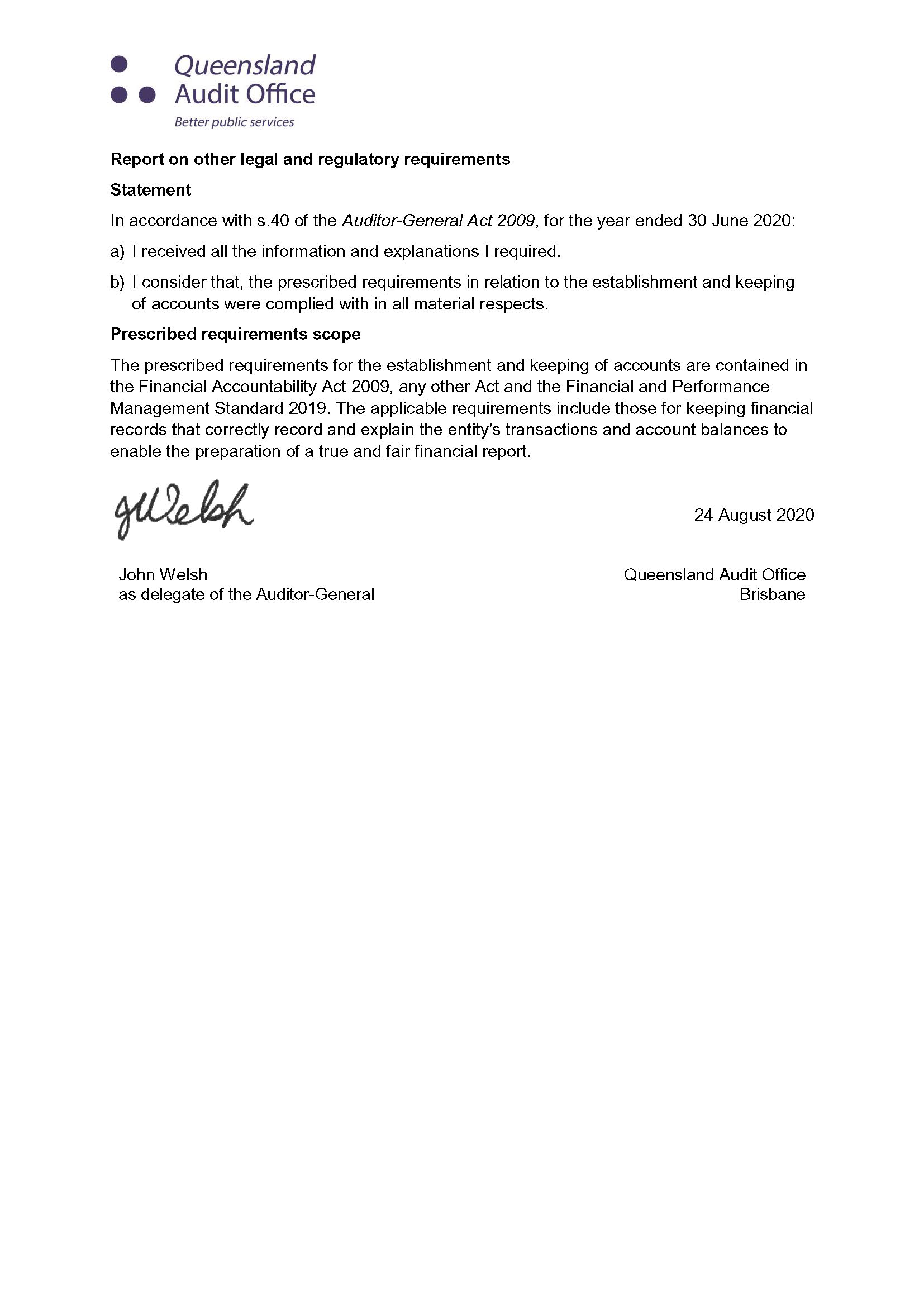
Chief Finance Officer

Crime and Corruption Commission

Date: 21 August 2020







# Appendices

|  |  |
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## Appendix A: Glossary of terms

|  |  |
| --- | --- |
| **CADD** | Corruptions Allegations Data Dashboard |
| **CCC** | Crime and Corruption Commission |
| **CEO** | Chief Executive Officer |
| **DWP** | Digital Workplace Program |
| **ELT** | Executive Leadership Team |
| **FTE** | Full-time equivalent |
| **GRC** | Governance, Risk and Compliance system |
| **CMS** | Case management system |
| **ICP** | Investigation Consultation Process |
| **JAMC** | Joint Assessment and Moderation Committee |
| **MPM** | Matter Prioritisation Model |
| **PCCC** | Parliamentary Crime and Corruption Committee |
| **QAO** | Queensland Audit Office |
| **QPS** | Queensland Police Service |
| **QSA** | Queensland State Archives |
| **RAP** | Reconciliation Action Plan |

## Appendix B: Compliance checklist

|  |  |  |  |
| --- | --- | --- | --- |
| **Summary of requirement** | | **Basis for requirement** | **Annual report reference** |
| **Letter of compliance** | * A letter of compliance from the accountable officer or statutory body to the relevant Minister/s | ARRs *–* section 7 | 4 |
| **Accessibility** | * Table of contents * Glossary | ARRs – section 9.1 | 3  116 |
| * Public availability | ARRs – section 9.2 | 4, inside front cover, back cover |
| * Interpreter service statement | *Queensland Government Language Services Policy*  ARRs – section 9.3 | 4 |
| * Copyright notice | *Copyright Act 1968*  ARRs – section 9.4 | Inside front cover |
| * Information Licensing | *QGEA – Information Licensing*  ARRs – section 9.5 | Inside front cover |
| **General information** | * Introductory Information | ARRs – section 10.1 | 12-15 |
| * Machinery of Government changes | ARRs – section 10.2, 31 and 32 | n/a |
| * Agency role and main functions | ARRs – section 10.2 | inside front cover, 6, 8-11, 80, back cover |
| * Operating environment | ARRs – section 10.3 | 12-17, 26, 65, 71-72 |
| **Non-financial performance** | * Government’s objectives for the community | ARRs – section 11.1 | n/a |
| * Other whole-of-government plans / specific initiatives | ARRs – section 11.2 | 31 |
| * Agency objectives and performance indicators | ARRs – section 11.3 | 7, 18-21, 23, 27-61 |
| * Agency service areas and service standards | ARRs – section 11.4 | 22, 36 |
| **Financial performance** | * Summary of financial performance | ARRs – section 12.1 | 24-25, 78-80 |
| **Governance – management and structure** | * Organisational structure | ARRs – section 13.1 | 8, 14, 58,63-64, 66-67 |
| * Executive management | ARRs – section 13.2 | 63-67 |
| * Government bodies (statutory bodies and other entities) | ARRs – section 13.3 | 8 |
| * Public Sector Ethics | *Public Sector Ethics Act 1994*  ARRs – section 13.4 | 54 |
| * Human Rights | *Human Rights Act 2019*  ARRs – section 13.5 | 20, 49, 61, 71 |
| * Queensland public service values | ARRs – section 13.6 | n/a |
| **Governance – risk management and accountability** | * Risk management | ARRs – section 14.1 | 59, 71-72 |
| * Audit committee | ARRs – section 14.2 | 72 |
| * Internal audit | ARRs – section 14.3 | 73 |
| * External scrutiny | ARRs – section 14.4 | 73-75 |
| * Information systems and recordkeeping | ARRs – section 14.5 | 76 |
| **Governance – human resources** | * Strategic workforce planning and performance | ARRs – section 15.1 | 14, 53-57, 68-70 |
| * Early retirement, redundancy and retrenchment | Directive No.04/18 *Early Retirement, Redundancy and Retrenchment*  ARRs – section 15.2 | 70 |
| **Open Data** | * Statement advising publication of information | ARRs – section 16 | https://data.qld.gov.au |
| * Consultancies | ARRs – section 33.1 | https://data.qld.gov.au |
| * Overseas travel | ARRs – section 33.2 | https://data.qld.gov.au |
| * Queensland Language Services Policy | ARRs – section 33.3 | https://data.qld.gov.au |
| **Financial statements** | * Certification of financial statements | FAA – section 62  FPMS – sections 38, 39 and 46  ARRs – section 17.1 | 111 |
| * Independent Auditor’s Report | FAA – section 62  FPMS – section 46  ARRs – section 17.2 | 112-114 |

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

|  |  |  |  |
| --- | --- | --- | --- |
| **Contact details** | | **More information** | |
|  | Crime and Corruption Commission GPO Box 3123, Brisbane QLD 4001 |  | www.ccc.qld.gov.au |
|  | Level 2, North Tower Green Square 515 St Pauls Terrace, Fortitude Valley QLD 4006 |  | [mailbox@ccc.qld.gov.au](mailto:mailbox@ccc.qld.gov.au)  @CCC\_QLD |
|  | 07 3360 6060 or Toll-free 1800 061 611 (in Queensland outside Brisbane)  07 3360 6333 |  | CrimeandCorruptionCommission  CCC email updates www.ccc.qld.gov.au/subscribe |
|  |  |

