



Leading the way: Preventing corruption in local government

Good governance and a pro-integrity culture can strengthen trust and transparency, deliver better outcomes for communities, and create a positive legacy for Queensland's future leaders.

By demonstrating ethical leadership and integrity, councillors and senior managers set the tone from the top and play a vital role in creating a fair and ethical public sector.

This factsheet is designed to support councillors, council Chief Executive Officers (CEOs) and employees to proactively identify and manage potential corruption risks.

What is corruption?

Corruption erodes public trust in government. It can also result in the misuse of Queensland taxpayer funds and impact the delivery of services for the community.

Councillors and council employees are obligated to act ethically and always put the public interest ahead of personal or private interests.

Corrupt conduct includes actions that:

- adversely affect the performance, ability to exercise functions or powers of a council.
- result in the council performing or exercising its powers in a manner that is dishonest, lacks impartiality, knowingly or recklessly breaches trust, or involves the misuse of information.
- would, if proven, constitute a criminal offence, or disciplinary breach providing reasonable grounds for dismissal.
- corrupt conduct can also involve conduct that impairs, or could impair, public confidence. For example, collusive tendering, dishonestly obtaining public funds, or fraudulently obtaining or retaining an appointment. This conduct extends to all persons and applies regardless of whether the person holds or held an appointment.

Corruption risks

Council representatives and staff can have significant power and influence, shaping decisions that impact communities, local economies and the environment. This trusted role carries inherent risks that can lead to corruption.

Recognising and addressing these risks is essential to maintaining public trust and the integrity of local government.

Risks of corruption can increase due to:

- poor organisational or ethical culture, such as low compliance with policies and procedures.
- unmanaged conflicts of interest.
- improper acceptance or provision of gifts and benefits.
- ineffective information security and records management that can lead to misuse of confidential information.
- lack of governance or oversight that can lead to a misuse of public resources.
- misuse of positions or authority to obtain a benefit or cause a loss that is not in the public interest.
- being improperly influenced.



Organisational culture

A strong ethical organisational culture is an important line of defence against corruption.

Developing or strengthening existing integrity frameworks along with strong governance and transparent decision-making can help create a pro-integrity culture, improve performance and reduce corruption and other integrity breaches.

What can you do to promote an ethical culture?

- ✓ Ensure leaders communicate integrity responsibilities to staff and improve awareness of fraud and corruption risks.
- ✓ Ensure all staff, contractors and elected representatives receive integrity-related training, can identify corrupt conduct, and are empowered to comply with policies and procedures.
- ✓ Support staff in reporting corruption and encourage them to speak up if they have any concerns about corrupt conduct.

Conflicts of interest

A conflict of interest is when private interests interfere, or may appear to interfere, with a duty to act in the public interest.

Failing to identify, declare, and manage private interests that conflict with public duties can lead to corruption.

Conflicts of interest can arise when an individual could avoid losses or gain advantages – financial or otherwise – and includes seeking to advantage or disadvantage other persons.

For council employees, conflicts of interest can be *actual*, *potential* or *perceived* and it's important to regularly review obligations with staff to maintain awareness.

For councillors, conflicts are presently classified as *prescribed* or *declarable*.



What can you do to manage conflicts of interest?

- ✓ Identify and consider personal interests or associations that may create a conflict of interest, particularly in relation to procurement, recruitment, planning decisions, development applications, licensing, and grants.
- ✓ Avoid situations that may lead to a conflict of interest and disclose and manage any potential or perceived conflicts transparently.
- ✓ Separate duties to manage conflicts appropriately and accurately record how they are being managed.
- ✓ Seek advice from the Department of Local Government, Water and Volunteers if needed.

Conflicts of interest in small communities

Councils in small communities may find that conflicts arise more often.

While some are simply unavoidable, all conflicts should be disclosed and managed appropriately.

Proactive communication also helps to improve transparency, support integrity, and build trust.

Gifts and benefits

Accepting, offering, or soliciting gifts or benefits that influence decisions or create perceptions of bias can amount to corrupt conduct.

A gift or benefit is anything received for free, or at a significantly reduced cost. It can be a physical item, or something intangible, regardless of whether it has lasting value.

This includes items like cash, entertainment, hospitality, or free or discounted goods or services from a business.

What can you do to manage risks with gifts and benefits?

- ✓ Consider why a gift or benefit is being offered and the potential expectation if it's accepted, as well as the possible public perception of the gift or benefit.
- ✓ Determine the value of the gift or benefit, and if it cannot be easily established, obtain independent verification of its estimated fair market value.
- ✓ Declare gifts valued at or above the prescribed limit, including cumulative gifts from a single source.

Misuse of confidential information

Confidential council information must not be misused for personal gain or improperly disclosed to unauthorised individuals, even unintentionally.

Confidential information must only be accessed for work-related or official purposes. Councils should provide training and have clear guidelines and policies about the use, handling and storage of electronic and hard-copy information, and the authorisations and processes required for its release.

Common reasons for information misuse include personal interest or curiosity, the desire to obtain a material benefit, being influenced by others to access the information, and an individual's personal circumstances.



What can you do to ensure confidential information is not misused?

- ✓ Ensure staff are aware of their obligations to correctly handle, store, access, release and dispose of confidential information, and the penalties for failing to do so.
- ✓ Report any accidental disclosure or suspected misuse immediately in line with your council's policies and procedures.
- ✓ Limit access according to employee work requirements and conduct audits to ensure security and compliance by system users.

Misuse of public resources

Public resources must be used responsibly and only for official purposes.

Misuse includes using council assets, property or resources for private activities, submitting fraudulent timesheets or claiming expenses or benefits beyond legitimate entitlements.

What can you do to ensure appropriate use of public resources?

- ✓ Claim expenses and entitlements transparently and in accordance with council guidelines.
- ✓ Only use council resources for work purposes.
- ✓ Ensure employees understand how to apply relevant policies and procedures and monitor compliance. Examples include declaring secondary employment or submitting accurate timesheets.
- ✓ Incur only reasonable expenses for official duties and ensure these are recorded appropriately i.e. flights, accommodation or meals for events (elected officials cannot accept a speaker's fee).

Misuse of position or authority

Elected officials and council employees must not misuse their positions to obtain personal or financial benefits or cause a loss.

This includes interfering inappropriately with council business or improperly directing processes for personal or political advantage or at the detriment of another.

What can you do to use your position or authority ethically?

- ✓ Ensure decisions made in your role are ethical and always put the public interest first.
- ✓ Always follow council policies and procedures and do not act outside your delegated limits.
- ✓ Apply a decision-making framework to ensure all decisions are sound and that you make and keep complete and reliable records.
- ✓ Proactively communicate how decisions are made, and conflicts have been managed to improve transparency and reduce perceptions of bias.

Role clarity: Mayor vs. CEO

The principle of “separation of powers” underpins good government at all levels in Australia.

Within councils, one of the most important public sector principles that elected officials must be clear on is the demarcation between their areas of influence and control and those of the CEO.

The role of mayors and councillors is to focus on strategic leadership, not delivery of day-to-day matters, while the role of the CEO is to manage the day-to-day business and operations, and other local government employees.

Being improperly influenced

When others are allowed to interfere or influence actions or decisions that are not in the public interest, it can amount to corrupt conduct.

While lobbying is lawful when conducted within the framework of the *Integrity Act 2009* and the *Lobbyists Code of Conduct*, it's important to consider the motivations for engaging or developing relationships, as well as any personal or professional conflicts of interest.

In addition, foreign interference poses a risk to councils and may involve attempts to covertly influence, coerce or corrupt elected members and council employees.

Lobbyists, foreign powers and criminal groups can use relationships to improperly influence decision-makers and gain access to sensitive information to obtain a benefit.

What can you do to ensure you are not improperly influenced?

- ✓ Ensure compliance with lobbying laws and report lobbying activities to the Office of the Queensland Integrity Commissioner.
- ✓ Record and be transparent about interactions, including contacts and meetings.
- ✓ Identify and manage foreign interference risks, including gifts, donations, expenses-paid travel and networking opportunities.
- ✓ Report suspected incidents of foreign interference to the National Security Hotline on 1800 123 400 and by making a complaint to the CCC.



Further information

Please visit our [corruption prevention web page](#) for additional guides and resources, or email corruption.engagement@ccc.qld.gov.au

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