

Prevention and management of corrupt conduct and public interest disclosure policy

Version	Date	Comments
1	Dec 2016	Policy updated. Previous reference: ISU:PY:2015:14
	Dec 2016	Policy approved

1 Purpose

This policy has been formulated to:

- support high standards of professional and ethical conduct within the Department of Housing and Public Works (the department)
- prevent corrupt conduct in the department
- facilitate the effective notification, assessment and management of complaints of suspected corrupt conduct and public interest disclosures (PIDs) within the department in accordance with the [Crime and Corruption Act 2001 \(Qld\)](#) (CC Act) and the [Public Interest Disclosure Act 2010 \(Qld\)](#) (PID Act).

This policy forms part of the department's overall approach to integrity management and should be read in conjunction with the [Prevention and management of corrupt conduct and public interest disclosure procedure](#), the [Code of Conduct for the Queensland Public Service \(PSC\)](#), the [Complaints management policy](#), the [Fraud and corruption prevention policy](#), the [Use of ICT facilities and devices policy](#) and the [Risk management policy](#).

This policy applies to all employees and contractors working for the department regardless of whether they are permanent, temporary, full-time, part-time or casual employees, volunteers and/or on secondment from another department. For the purposes of this policy, the term contractor includes on-hired temporary labour services (agency staff) and sub-contractors.

2 Policy statement

The department's commitment

The department is committed to:

- implementing awareness initiatives and internal control systems to prevent and/or minimise corrupt conduct
- promoting public confidence in the way suspected corrupt conduct of the Director-General is dealt with
- promoting accountability, integrity and transparency in the way the department deals with a complaint that is suspected to involve, or may involve, corrupt conduct of the Director-General
- promoting the public interest by facilitating complaints of corrupt conduct and PIDs which relate to the department
- ensuring that allegations of suspected corrupt conduct and PIDs, including those made anonymously, are properly assessed and appropriately dealt with
- ensuring that appropriate consideration is given to the interests of employees who are the subject of a complaint or PID
- taking appropriate action on proven corrupt conduct and wrongdoing by employees, suppliers, providers and other external parties, and
- affording support and protection from reprisals to people making PIDs.

Complaints of corrupt conduct and PIDs will be dealt with in accordance with the [Prevention and Management of Corrupt Conduct and Public Interest Disclosure Procedure](#).

Reporting suspected corrupt conduct and PIDs

All persons working for and with the department **must** report suspected corrupt conduct. This applies even where the suspected corrupt conduct relates to someone working in, or who has worked in, a Unit of Public Administration outside the department (for example, someone working in another government department or a local council).

The department expects its suppliers, providers and other external parties to report suspected corrupt conduct.

Suspected corrupt conduct and PIDs about the department or its staff can be reported to:

- the Director-General, or
- the Assistant Director-General, Corporate Services, or
- the department's Integrity Services Unit, or
- a supervisor/manager, or
- the Minister for Housing and Public Works, or
- a Member of the Legislative Assembly, or
- a person to whom such a report may otherwise lawfully be made (for example, if the alleged corrupt conduct/PID involves a criminal offence, it may be reported to a member of the Queensland Police Service).

Suspected corrupt conduct can also be reported to the Crime and Corruption Commission (CCC).

Complaints about suspected corrupt conduct happening within another government department or other Unit of Public Administration can be reported to the chief executive of the other department or unit (or to an officer of the entity who has the function of receiving or taking action on the type of information being disclosed). PIDs can also be reported to an entity which has the function of receiving or taking action on the type of information being disclosed, for example if a PID involves a significant public safety matter it can be made to Workplace Health and Safety Queensland.

Complaints about the Director-General

The [CC Act](#) requires that the department has a policy that addresses how the department will deal with a complaint that involves, or may involve, corrupt conduct of a public official. The Director-General is the public official of the department.

Section 48A(2) of the CC Act provides that the policy may nominate a person other than the Director-General to notify the CCC of the complaint and deal with the complaint under the Act on behalf of the Director-General.

Having regard to section 48A(2) and (3) of the CC Act, this policy nominates the Assistant Director-General, Corporate Services, or – in the absence or unavailability of the Assistant Director-General – the Manager, Integrity Services Unit, to:

- notify the CCC of any complaint that involves, or may involve, the Director-General under section 38 of the CC Act; and
- deal with the complaint under section 44 of the CC Act, subject to the CCC's monitoring role when:
 - directions issued under section 40 of the CC Act apply; or
 - pursuant to section 46, the CCC refers the complaint to the nominated person to deal with.

Where a complaint involves, or may involve, the Director-General personally, it can be reported to:

- the Assistant Director-General, Corporate Services, or
- the Minister for Housing and Public Works, or
- a Member of the Legislative Assembly, or
- the CCC, or
- a person to whom such a report may otherwise lawfully be made (for example, if the alleged corrupt conduct involves a criminal offence, it may be reported to a member of the Queensland Police Service).

The department's procedure for dealing with a complaint that involves, or may involve, corrupt conduct of the Director-General is detailed in the [Prevention and Management of Corrupt Conduct and Public Interest Disclosure Procedure](#).

If in doubt – report

If there is any uncertainty about whether a matter constitutes corrupt conduct – the matter ought to be reported. If guidance or support is required, contact the Integrity Services Unit.

Complaint information should be treated as strictly confidential.

3 Responsibilities

Key roles and responsibilities are as follows:

3.1 Director-General and Assistant Director-General Corporate Services

The Director-General and the Assistant Director-General Corporate Services (as the department's PID contact officer and nominated delegate) are responsible for:

- communicating the expectation that all persons working for and with the department are required to conduct their duties to high professional and ethical standards and always act in the public interest
- implementing appropriate awareness and control systems to prevent and effectively respond to suspected corrupt conduct
- notifying the CCC of a complaint, or information or matter ("complaint"), which the Director-General or the Assistant Director-General reasonably suspects involves, or may involve, corrupt conduct, in accordance with the CC Act
- assessing and dealing with a complaint about, or information or matter involving, corrupt conduct and PIDs within the department
- keeping the CCC informed of the contact details for the Director-General and the nominated person
- keeping the CCC informed of any proposed changes to this policy and consulting with the CCC when preparing any policy about how the department will deal with a complaint that involves or may involve corrupt conduct of the Director-General
- establishing procedures to protect employees who make PIDs from reprisals that are, or may be, taken against them in accordance with the PID Act.

3.2 Director-General

The Director-General is responsible for:

- not taking any action in relation to a complaint about themselves unless requested to do so by the nominated person in consultation with the Minister for Housing and Public Works
- referring any complaint they receive about themselves that involves or may involve corrupt conduct to the nominated person.

3.3 Assistant Director-General Corporate Services

The Assistant Director-General, Corporate Services (as the person nominated under section 48A of the CC Act) and – in the absence or unavailability of the Assistant Director-General – the Manager, Integrity Services Unit is responsible for:

- notifying the CCC of a complaint which the Assistant Director-General (or the Manager, Integrity Services Unit) reasonably suspects involves, or may involve, corrupt conduct of the Director-General
- informing the CCC and the Minister for Housing and Public Works that the Assistant Director-General (or the Manager, Integrity Services Unit) is the nominated person for the complaint
- dealing with a complaint about, or information or matter involving, corrupt conduct of the Director-General

in accordance with the *Crime and Corruption Act 2001 (Qld)*.

3.4 Integrity Services Unit

The Integrity Services Unit is responsible for:

- providing advice and information in relation to the prevention and the management of corrupt conduct and PIDs
- notifying the CCC of a complaint, or information or matter, which the Integrity Services Unit reasonably suspects involves, or may involve, corrupt conduct, subject to a direction issued by the CCC to the Director-General pursuant to section 40 of the CC Act
- assessing and dealing with a complaint about, or information or matters involving, or which may involve, corrupt conduct and PIDs within the department
- maintaining policies, procedures and records in regard to corrupt conduct and PIDs
- coordinating all high level departmental reporting relating to corrupt conduct and PIDs
- providing support to the Assistant Director-General, Corporate Services in the effective management of corrupt conduct and PIDs.

3.5 All departmental managers

All departmental managers and supervisors are responsible for:

- **immediately** referring any complaints of suspected corrupt conduct or other PIDs which are received by them to the Director-General or the Assistant Director-General, Corporate Services or the Integrity Services Unit
- maintaining a workplace culture that values professionalism, integrity and diligence
- demonstrating positive ethical standards and values to employees through their own conduct and communications at work
- creating a supportive reporting environment
- providing appropriate support to employees who report suspected wrongdoing

- implementing appropriate controls to prevent harm to the department's assets and resources
- assisting employees to resolve ethical dilemmas, as required.

3.6 All persons working for and with the department

All persons working for and with the department are responsible for:

- immediately reporting suspected corrupt conduct
- conducting their duties and work activities to a high professional and ethical standard
- seeking appropriate management guidance if they have an ethical dilemma
- cooperating fully with investigations into suspected corrupt conduct and PIDs
- maintaining the confidentiality of suspected corrupt conduct matters and PIDs in accordance with the [Prevention and Management of Corrupt Conduct and Public Interest Disclosure Procedure](#)
- refraining from reprisal action (or inaction, as the case may be).

4 Delegations

Duties and responsibilities as authorised in the Administration Delegation Schedule 1008(P) to deal with Public Interest Disclosures under the PID Act and corrupt conduct matters under the CC Act.

5 Reporting requirements

The Integrity Services Unit is responsible for providing statistical reports on corrupt conduct matters and PIDs to the Director-General, the Deputy/Assistant Directors-General, as well as preparing other regulatory reporting as required.

6 Approval

Robyn Turbit

Assistant Director-General, Corporate Services
Delegate of the Director-General

Date: 16 December 2016

Attachment 1: Contacts

Attachment 2: Definitions

Attachment 3: Examples of Conduct

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Licence

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Attachment 1: Contacts

Corrupt Conduct Matters

Director-General

Department of Housing and Public Works
Level 31, 1 William Street
Brisbane Qld 4000
GPO Box 2457
Brisbane Qld 4001
Telephone (07) 3008 2936
Facsimile (07) 3224 5616

Assistant Director-General, Corporate Services (CCC Liaison Officer; nominated person under section 48A(2) of the *Crime and Corruption Act 2001 (Qld)*)

Department of Housing and Public Works
Level 26, 41 George Street
Brisbane Qld 4000
GPO Box 2457
Brisbane Qld 4001
Telephone (07) 3008 2900

Manager, Integrity Services Unit

Department of Housing and Public Works
Level 17, 53 Albert Street
Brisbane Qld 4000
GPO Box 2457
Brisbane Qld 4001
Telephone (07) 3008 2924

Crime and Corruption Commission

Complaints Section
Level 2, North Tower Green Square
515 St Pauls Terrace
Fortitude Valley Q 4006
GPO Box 3123
Brisbane Qld 4001
Telephone (07) 3360 6060
Facsimile (07) 3360 6333
Toll Free 1800 061 611 – outside Brisbane, within Queensland
www.ccc.qld.gov.au

Contacts - Public Interest Disclosures

Director-General

Department of Housing and Public Works
Level 31, 1 William Street
Brisbane Qld 4000
GPO Box 2457
Brisbane Qld 4001
Telephone (07) 3008 2936
Facsimile (07) 3224 5616

Assistant Director-General, Corporate Services (PID Contact Officer)

Department of Housing and Public Works
Level 26, 41 George Street
Brisbane Qld 4000
GPO Box 2457
Brisbane Qld 4001
Telephone (07) 3008 2900
Telephone (07) 3008 2924

Executive Director, Human Resources (PID Support Officer)

Department of Housing and Public Works
Level 7, 41 George Street
GPO Box 2457
Brisbane Qld 4001
Telephone (07) 3008 3040
Facsimile (07) 3225 8120

Manager, Integrity Services Unit

Department of Housing and Public Works
Level 17, 53 Albert Street
Brisbane Qld 4000
GPO Box 2457
Brisbane Qld 4001

Queensland Ombudsman

Level 17, 53 Albert Street, Brisbane QLD 4000
GPO Box 3314, Brisbane QLD 4001
Telephone (07) 3005 7000
Facsimile (07) 3005 7067
Toll Free 1800 068 908
<http://www.ombudsman.qld.gov.au/>

Crime and Corruption Commission (for complaints of suspected corrupt conduct)

Complaints Section
Level 2, North Tower Green Square
515 St Pauls Terrace
Fortitude Valley Qld 4006
GPO Box 3123, Brisbane Qld 4001
Telephone (07) 3360 6060
Facsimile (07) 3360 6333
Toll Free 1800 061 611 – outside Brisbane, within Queensland
<http://www.ccc.qld.gov.au/>

Attachment 2: Definitions

Term	Description
All persons working for and with the department	Means any Department of Housing and Public Works (HPW) employee whether permanent, temporary, full-time, part-time or casual and any volunteer, student, contractor, consultant or anyone who works in any other capacity for HPW.
Benefit	Includes property, advantage, service, entertainment, the use of or access to property or facilities and anything of benefit to a person whether or not it has any inherent or tangible value, purpose or attribute.
CCC	The Crime and Corruption Commission
Conduct	Includes - (a) neglect, failure and inaction and (b) conspiracy to engage in conduct and (c) attempt to engage in conduct.
Confidential information	Includes: (a) information about the identity, occupation, residential or work address or whereabouts of a person: (i) who makes a PID or (ii) against whom a PID has been made and (b) information disclosed by a PID and (c) information about an individual's personal affairs and (d) information that, if disclosed, may cause Detriment to a person but does not include information publicly disclosed in a PID made to a court, tribunal or other entity that may receive evidence under oath, unless further disclosure of the information is prohibited by law.
Corrupt conduct	Corrupt conduct has a specific meaning under the CC Act. It means conduct of a person, regardless of whether the person holds or held an appointment, that— 1. adversely affects, or could adversely affect, directly or indirectly, the performance of functions or the exercise of powers of— (i) a unit of public administration; or (ii) a person holding an appointment; and 2. results, or could result, directly or indirectly, in the performance of functions or the exercise of powers mentioned in (1) in a way that— (i) is not honest or is not impartial; or (ii) involves a breach of the trust placed in a person holding an appointment, either knowingly or recklessly; or (iii) involves a misuse of information or material acquired in or in connection with the performance of functions or the exercise of powers of a person holding an appointment; and 3. is engaged in for the purpose of providing a <i>benefit</i> to the person or another person or causing a <i>detriment</i> to another person; and

	<p>4. would, if proved, be—</p> <ol style="list-style-type: none"> (i) a criminal offence; or (ii) a disciplinary breach providing reasonable grounds for terminating the person's services, if the person is or were the holder of an appointment. <p>Corrupt conduct can be attributed to any person, regardless of whether or not they are employed in HPW, including:</p> <ul style="list-style-type: none"> • employees • people who used to but no longer work in the department • people who subsequently take up an appointment in the department • people who are suppliers or providers to the department • other private individuals or organisations • people outside Queensland where there is a direct link between the conduct and its adverse effect on the department).¹ <p>Corrupt conduct can include:</p> <ul style="list-style-type: none"> • fraud • abuse of public office • loss of revenue to the State • perverting the course of justice • bribery • offences relating to an electoral donation • assault occasioning bodily harm • stealing • forgery • collusion² • obtaining or offering a secret commission <p>(This list is not exhaustive. Examples are set out in Attachment 3).</p>
Department	Department of Housing and Public Works
Detriment	<p>Includes:</p> <ol style="list-style-type: none"> (a) personal injury or prejudice to safety (b) property damage or loss (c) intimidation or harassment (d) adverse discrimination, disadvantage or adverse treatment about career, profession, employment, trade or business (e) financial loss (f) damage to reputation, including, for example, personal, professional or business reputation.

¹ "Corruption in focus: A guide to dealing with corrupt conduct in the Queensland public sector", CCC, July 2014, page 1.3.

² Collusion – in general terms, means a secret agreement for a fraudulent purpose. Collusion may occur between a range of different parties eg between employees, or between employees and suppliers, or between suppliers, etc.

Discloser	Means a person who makes a PID.
Employee/s	Means a person employed under the Public Service Act 2008 (Qld) .
Maladministration	Is administrative action that: <ul style="list-style-type: none"> (a) was taken contrary to law or (b) was unreasonable, unjust, oppressive, or improperly discriminatory or (c) was in accordance with a rule of law or a provision of an Act or a practice that is or may be unreasonable, unjust, oppressive, or improperly discriminatory in the particular circumstances or (d) was taken - <ul style="list-style-type: none"> (i) for an improper purpose or (ii) on irrelevant grounds or (iii) having regard to irrelevant considerations or (e) was an action for which reasons should have been given, but were not given or (f) was based wholly or partly on a mistake of law or fact or (g) was wrong.
Member of the Legislative Assembly	Means an elected Member of Parliament.
Nominated person	Means the person nominated under section 48A(2) of the CC Act to: <ul style="list-style-type: none"> • notify the CCC of any complaint that involves, or may involve, the Director-General under section 38 of the CC Act; and • deal with the complaint under section 44 of the CC Act, subject to the CCC's monitoring role when: <ul style="list-style-type: none"> ○ directions issued under section 40 of the CC Act apply; or ○ pursuant to section 46, the CCC refers the complaint to the nominated person to deal with. <p>This policy nominates the Assistant Director-General, Corporate Services, or – in the absence or unavailability of the Assistant Director-General – the Manager, Integrity Services Unit as the nominated person.</p>
Proper Authority	Means: <ul style="list-style-type: none"> (a) a public sector entity or (b) a Member of the Legislative Assembly.
Public Health or Safety	Includes the health or safety of persons: <ul style="list-style-type: none"> (a) under lawful care or control or (b) using community facilities or services provided by the public or private sector or (c) in employment workplaces.
Public Interest Disclosure/s	Means a disclosure of information made to the proper authority: <ul style="list-style-type: none"> (1) by an employee about: <ul style="list-style-type: none"> (a) the conduct of another person that could, if proved, be - <ul style="list-style-type: none"> (i) corrupt conduct or

	<p>(ii) maladministration that adversely affects a person's interests in a substantial and specific way or</p> <p>(b) a substantial misuse of public resources (other than an alleged misuse based on a mere disagreement over policy that may properly be adopted about amounts, purposes and priorities of expenditure) or</p> <p>(c) a substantial and specific danger to public health or safety or</p> <p>(d) a substantial and specific danger to the environment or</p> <p>(2) by any person (including an employee) about:</p> <p>(a) a substantial and specific danger to the health or safety of a person with a disability (as defined in section 11 of the Disability Services Act 2006 (Qld) or</p> <p>(b) the commission of an offence against a provision mentioned in Schedule 2 of the PID Act, if the commission of the offence is or would be a substantial and specific danger to the environment or</p> <p>(c) a contravention of a condition imposed under a provision mentioned in Schedule 2 of the PID Act, if the contravention is or would be a substantial and specific danger to the environment or</p> <p>(d) the conduct of another person that could, if proved, be a reprisal.</p> <p>A PID includes all information and help given by the discloser to the proper authority for the PID.</p>
<p>Public Sector Entity</p>	<p>Has the meaning in section 6 of the PID Act. Pursuant to section 6, a public sector entity is any of the following—</p> <p>(a) a committee of the Legislative Assembly, whether or not a statutory committee;</p> <p>(b) the parliamentary service;</p> <p>(c) a court or tribunal;</p> <p>(d) the administrative office attached to a court or tribunal;</p> <p>(e) the Executive Council;</p> <p>(f) a department;</p> <p>Note— The following are, or are included in, departments—</p> <ul style="list-style-type: none"> • the Queensland Ambulance Service • the Queensland Fire and Rescue Service • the Queensland Police Service. <p>(g) a local government;</p> <p>(h) a registered higher education provider or TAFE Queensland;</p> <p>(i) the Queensland Agricultural Training Colleges under the Queensland Agricultural Training Colleges Act 2005 (Qld);</p> <p>(j) an entity established under an Act or under State or local government authorisation for a public, State or local government purpose;</p> <p>(k) an entity, prescribed under a regulation, that is assisted by public funds.</p> <p>However, the following are not public sector entities—</p> <p>(a) a corporate entity, other than to the extent expressly stated in this Act;</p> <p>(b) a GOC, other than to the extent expressly stated in this Act;</p> <p>(c) the following entities under the Education (General Provisions) Act 2006 (Qld)—</p> <p>(i) an advisory committee;</p>

	<ul style="list-style-type: none"> (ii) a non-State school; (iii) a parents and citizens association; (d) an entity prescribed under a regulation. <p>A State educational institution or school council is part of the department in which the <i>Education (General Provisions) Act 2006 (Qld)</i> is administered.</p>
Reasonable Management Action	<p>Action taken by a manager in relation to an employee, includes any of the following taken by the manager:</p> <ul style="list-style-type: none"> (a) a reasonable appraisal of the employee's work performance (b) a reasonable requirement that the employee undertake counselling (c) a reasonable suspension of the employee from the employment workplace (d) a reasonable disciplinary action (e) a reasonable action to transfer or deploy the employee (f) a reasonable action to end the employee's employment by way of redundancy or retrenchment (g) a reasonable action in relation to an action mentioned in paragraphs (a) to (f) (h) a reasonable action in relation to the employee's failure to obtain a promotion, reclassification, transfer or benefit, or to retain a benefit, in relation to the employee's employment.
Reasonably suspects	Means suspects on grounds that are reasonable in the circumstances.
Reprisal/s	<p>Means causing, or attempting or conspiring to cause, detriment to another person because, or in the belief that:</p> <ul style="list-style-type: none"> (a) the other person or someone else has made, or intends to make, a PID or (b) the other person or someone else is, has been, or intends to be, involved in a proceeding under the PID Act against any person. <p>An attempt to cause detriment includes an attempt to induce a person to cause detriment.</p>
Subject Officer	Means an employee against whom a complaint has been made.
Supportive Reporting Environment	Means creating a workplace culture where employees feel comfortable reporting suspected wrongdoing, have confidence that their concerns will be appropriately dealt with and do not fear or concern adverse treatment arising from their reporting of suspected wrongdoing.
Unit of Public Administration (UPA)	<p>UPA has the meaning in section 20 of the CC Act. Pursuant to section 20, each of the following is a unit of public administration—</p> <ul style="list-style-type: none"> (a) the Legislative Assembly, and the parliamentary service; (b) the Executive Council; (c) a department; (d) the police service; (da) a local government;

- (e) a corporate entity established by an Act or that is of a description of a corporate entity provided for by an Act which, in either case, collects revenues or raises funds under the authority of an Act;
- (f) a non-corporate entity, established or maintained under an Act, that—
 - (i) is funded to any extent with State moneys; or
 - (ii) is financially assisted by the State;
- (g) a State court, of whatever jurisdiction, and its registry and other administrative offices;
- (h) another entity prescribed under a regulation.

However, none of the following is a unit of public administration—

- (a) the commission;
- (b) the parliamentary commissioner;
- (c) the entity consisting of—
 - (i) the parliamentary commissioner; and
 - (ii) officers and employees of the parliamentary service assigned to the parliamentary commissioner; and
 - (iii) persons engaged to provide the parliamentary commissioner with services, information or advice;
- (d) an entity declared by an Act not to be a unit of public administration.

Attachment 3: References

The requirements set out in this document are based on, and are consistent with, relevant Government legislation, regulations, directives, information standards and/or policies at the time of publication.

Legislation and regulations

[Crime and Corruption Act 2001 \(Qld\)](#)

[Public Interest Disclosure Act 2010 \(Qld\)](#)

[Public Service Act 2008 \(Qld\)](#)

Queensland Government documents

[Code of Conduct for the Queensland Public Service](#)

[The Queensland Government Indemnity Guideline \(PSC\)](#)

[Public Interest Disclosure Standard \(Queensland Ombudsman\)](#)

Department of Housing and Public Works documents

[Complaints management policy](#)

[Fraud and corruption prevention policy](#)

[Prevention and management of corrupt conduct and public interest disclosure procedure](#)

[Risk management policy](#)

[Section 40 Directions between the Crime and Corruption Commission and Department of Housing and Public Works](#)

[Use of ICT facilities and devices policy](#)

Other resources

[Corruption in focus: A guide to dealing with corrupt conduct in the Queensland public sector, Crime and Corruption Commission, July 2014](#)

[Making a public interest disclosure – a guide for individuals working in the public sector 2011](#) (publication jointly prepared by the Crime and Misconduct Commission, the Queensland Ombudsman and the Public Service Commission)

[Handling a public interest disclosure – a guide for public sector managers and supervisors 2011](#) (publication jointly prepared by the Crime and Misconduct Commission, the Queensland Ombudsman and the Public Service Commission)

Attachment 4: Examples of conduct

Examples of conduct which may be “corrupt conduct” include:

- A contractor engaged to develop a tender specification for a particular service, fails to disclose her husband works as a senior manager in a company that provides a particular service.
- An employee repeatedly falsifies their timesheets.
- An employee favours a friend in the provision of a departmental service.
- An employee sells scrap materials obtained from government owned buildings and retains the proceeds.
- An employee gets a contractor to perform work at their home and the value of the work is invoiced to the department (this is corrupt conduct on the part of the contractor and the employee).
- A person who was formerly employed in the department uses confidential information obtained during their employment with the department to help their new employer obtain government business.
- A supplier gives an employee gifts in return for being awarded work (this is corrupt conduct on the part of the supplier and the employee).
- A supplier and an employee collude by agreeing that the supplier will invoice the department for work not performed (and the employee will approve the false invoices) and they will share the proceeds (this is corrupt conduct on the part of the supplier and employee).
- An employee steals \$200 from petty cash.

Attachment 5: Areas of perceived high fraud and corruption risk in the public sector

The former Crime and Misconduct Commission (CMC) survey *Profiling the Queensland public sector* outlines operational areas and functions perceived to have high fraud and corruption risk, including:

financial functions	such as the receipt of cash, revenue collection and payment systems, salaries and allowances, entertainment expenses
construction, development and planning functions	ranging from land rezoning or development applications to construction and building activities
regulatory functions	involving the inspection, regulation or monitoring of facilities; and operational practices, including the issue of fines or other sanctions
licensing functions	such as the issue of qualifications or licences to indicate proficiency or enable the performance of certain activities
demand-driven or allocation-based functions	where demand often exceeds supply, including the allocation of services or grants of public funds; or the provision of subsidies, financial assistance, concessions or other relief
procurement and purchasing functions	including e-commerce activities, tendering, contract management and administration
other functions	involving the exercise of discretion, or where there are regular dealings between public sector and private sector personnel (especially operations that are remotely based or have minimal supervision)

[*Profiling the Queensland public sector*, Crime and Misconduct Commission, June 2004 reported in Fraud and Corruption Control guidelines for best practice Crime and Misconduct Commission, March 2005, p15]

Attachment 6: Identifying fraud and corruption risks

A complete identification of fraud and corruption risk exposure comes from a thorough search for all potential risks. The broader the range of stakeholders involved in this process the more likely it is that all potential risks will be identified.

To identify fraud and corruption risks consider the following questions:

- How could fraud and corruption occur?
- What circumstances or events could cause this?
- What would be the impact or consequence?

Sources of information which can be used to identify fraud and corruption risks include:

(i) Contextual information

For example:

- the current goals and strategies of the Business Area
- main business activities and processes
- organisational levels and locations e.g. depot vs. Head Office, remote location vs. central business district
- major cost or revenue items
- services that are contracted out for delivery (how do we assess the work is performed as per the specification)
- significant things happening in the Business Area's environment
- risks and issues identified in audit reports
- reasons for material losses (recorded in the Material Losses Register)
- circumstances of officers being offered or receiving gifts and benefits (recorded in the Gifts and Benefits Register)
- feedback from stakeholders e.g. Assistant/Deputy Directors-General, client agencies, Queensland Audit Office.

(ii) Past instances of fraud and corruption in HPW

Types of fraud experienced by the department have included:

- misappropriation e.g. changing account details on a departmental system to deposit funds into a personal account
- falsifying official documents e.g. purposely recording inaccuracies on a timesheet to obtain a benefit, falsely claiming for overtime, falsifying medical certificates to obtain paid sick leave
- collusion e.g. staff colluding with a contractor to approve invoices (knowing that the work had not been undertaken) in return for kickbacks from the contractor

(iii) Areas of perceived high fraud and corruption risk in the public sector

Refer to Attachment 5.

Other items to consider when considering fraud and corruption risks

In December 2012 the CMC assessed HPW's compliance with its Building Integrity Program. The CMC's assessment was that the department's Integrity Framework and complaints handling were strong.

The CMC identified there were opportunities for further improvements in misconduct prevention particularly with respect to implementing strategies for strengthening staff understanding of the application of departmental policies and procedures.

Attachment 7: References

There are a number of warning signs or "red flags" which may indicate fraudulent or corrupt conduct. To be clear, these indicators are not definitive evidence of fraud. However, in the relevant circumstances they may indicate fraud. If further information is required or there is a suspicion of fraud or corruption contact HPW's Integrity Services Unit (telephone 3008 2924).

Behavioural Red flags

- Employees who consistently work longer hours than their work mates, where there is no apparent reason.
- Employees who infrequently or don't take time off or holidays.
- Employees who attempt to hide their work or are very secretive about the work they're doing.
- Employees who are stressed for personal reasons.
- Employees who seem significantly stressed for no apparent reason.
- Employees who are under significant personal financial pressure.
- Employees who suddenly have a significant lifestyle change.
- Employees who are subject to consistent complaints.
- Employee who are consistently breaking the rules.
- Employees who are reluctant to provide information, delay providing information or provide different information (e.g. explanations) to different people.
- Employees who request that internal audits are delayed so they have adequate time to "prepare".
- Employees who request a significant level of information about proposed internal audit scopes.
- Employees who predominantly use the one supplier.
- Employees who don't adhere to procurement procedures.

Financial Red flags

- Cash only transactions
- Higher than normal costs which are not readily explainable
- Large volume of refunds
- Unusually large inventories
- Unusual transactions (even if only for small amounts)
- Employees who make a higher than normal number of mistakes, especially where these lead to a loss
- Employees with unexplained sources of wealth
- Employees who have competing personal business interests
- Employees who submit inconsistent and/or unreasonable expense claims.

Procedural Red flags

- Employees who make procedural or system enquiries which are not related to their duties.
- Prospective employees who provide incomplete, inaccurate or inconsistent information.
- Employees who excessively micro-manage.
- Insufficient oversight/audit applied.
- Suppliers who insist on dealing with just one employee.
- Lack of transparency.
- Too much delegation without proper review procedures.

Information sourced from "Fraud Facts - An introduction to fraud indicators", Issue 14 November 2011, Fraud Advisory Panel © Fraud Advisory Panel 2011 at: <https://www.fraudadvisorypanel.org/wp-content/uploads/2015/04/Fraud-Facts-14B-Fraud-Indicators-Nov11.pdf>