

Corrupt conduct control policy

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Contents

Policy statement	3
Statement of purpose.....	3
Applicability and responsibility	3
The CCC ‘10-element fraud control model’	6
Corrupt conduct control framework	6
Legislation	8
Related documents	8
Communication.....	9
Further information and support	9
Administrative details	9
Review	9
Definitions	10
Appendix A.....	12
Directions issued by the Crime and Corruption Commission pursuant to section 40 of the <i>Crime and Corruption Act 2001 (CCA)</i>	12
1 General Instructions	12
2 Administrative arrangements.....	12

Policy statement

The Office of Industrial Relations (OIR) recognises that the management of corrupt conduct is an integral part of good governance and management practice.

OIR is committed to ensuring the highest ethical conduct of all employees by maintaining a culture of honesty and integrity and ensuring robust governance and reporting within the organisation. OIR has processes in place that ensure the effective prevention, detection and management of corrupt conduct that may occur.

To that end, OIR has adopted a zero-tolerance approach on corrupt conduct in all internal and external operational activities, with all incidents regarded as serious. This is consistent with the Code of Conduct for the Queensland Public Service and the relevant legislation.

Introduction

Corrupt conduct undermines the OIR's ability to deliver its strategic vision, purpose and values, and any potential case could cause:

- reputational loss, by destroying public confidence in the department;
- financial harm and loss to the department;
- reduction in staff morale and performance; and/or
- inability to effectively deliver services.

Statement of purpose

To provide a framework for OIR employees in the prevention, detection, reporting and management of corrupt conduct in the workplace, including within OIR, internal to government and external stakeholders.

It will explain what to do if you want to make a complaint where you suspect 'corrupt conduct' as defined in section 15 of the Crime and Corruption Act 2001 (CC Act), has or is occurring.

It will also set out how the OIR will deal with a complaint or allegation that may involve suspected 'corrupt conduct' including a complaint involving suspected corrupt conduct against a Queensland Government Employee.

Applicability and responsibility

This policy applies to **all** departmental employees within OIR as corrupt conduct prevention is everyone's responsibility. It is the responsibility of all Queensland Government employees and contractors to report all suspected cases of fraud or corruption.

The *Corrupt Conduct Policy* identifies the minimum requirements and responsibilities for the governance, prevention, detection, and the response to suspected fraud and corruption within the OIR.

The *Corrupt Conduct Policy*:

- ensures that our workforce acts legally, ethically and in the public interest
- enables staff to understand their obligations and implement practices to stop fraud and corruption occurring in the OIR
- aligns with the vision, purpose and values outlined in the department's Strategic plan.

Employee responsibilities:

- All staff and contractors are obliged to report and prevent suspected corrupt conduct.
- All OIR employees must undertake mandatory training in ethics and fraud prevention, including:
 - as part of your induction , attend face-to-face Workplace Ethics training
 - each year thereafter, attend refresher training
 - complete the Fraud Prevention online CReATE training every two years.

Manager/Supervisor responsibilities

- Managers must ensure that all OIR employees receive education in ethics and fraud prevention.
- Managers are required by law to manage staff conduct by taking prompt and appropriate action to address the matter.
- All managers must report corrupt conduct concerns to the Fraud Control Officer (FCO), Ethical Standards, Business and Corporate Services.

Fraud Control Officer, Ethical Standards responsibilities:

- actively improve the fraud risk and corruption framework and to support operational areas in preventing fraud within the OIR.
- responsible for monitoring all aspects of the corrupt conduct control framework including policies, procedures, legislation and implementation.
- provide advice to both managers and employees in relation to this policy and other related policies, procedures and legislation

Crime and Corruption Commission (CCC) Liaison Officer responsibilities:

- liaise with the Deputy Director-General OIR prior to referring any matters to the CCC.
- notify the CCC of a complaint which they reasonably suspect involves, or may involve, corrupt conduct.
- deal with complaints which may involve corrupt conduct referred to OIR or the department by the CCC, in a way they consider most appropriate, subject to directions given by the CCC and within the timeframes set out in OIR or the department's Complaint Management Policy.
- deal with complaints which may involve corrupt conduct that are referred **back** to OIR or the department by the CCC for investigation. For OIR matters, these complaints will be managed internally by OIR ES.

The department's CCC Liaison Officer's responsibilities above are subject to the latest direction from CCC made under section 40 of the CC Act (section 40 Direction). The section 40 Direction (**Appendix A**) sets out the categories of corrupt conduct which OIR and the department:

- does and does not need to notify to the CCC
- must 'deal with'
- what information must be recorded and included in notifications to the CCC about each matter.

Senior Executives responsibilities:

- Support the OIR Board of Management with decision making.
- Apply finance and human resource delegations effectively and efficiently.
- Cultivate and maintain a work environment where fraudulent or dishonest behaviour is actively discouraged and ethical actions and behaviour are rewarded.
- Implement this policy within their area of responsibility.
- Review business area corrupt conduct risk assessments to ensure risk is being appropriately managed.
- Check for patterns of corrupt conduct risk across the business units, identifying opportunities to reduce. Corrupt conduct risk that should be brought to the attention of the Audit and Risk Management Committee.

External/Independent agency responsibilities:

Queensland independent agencies perform complementary roles to promote good governance, accountability and integrity. The OIR Corrupt Conduct policy aligns the department to support the functions of these agencies.

The prominent agencies responsible for oversight and control functions of managing, monitoring and reporting in Queensland are:

External reporting body	Reporting obligations
<i>Crime and Corruption Commission (CCC)</i>	The Director-General of the department through the CCC Liaison Officer must notify the CCC if he/she suspects that a matter involves or may involve corrupt conduct.
<i>Queensland Ombudsman</i>	Under the <i>Public Interest Disclosure Act 2010</i> , agencies are required to provide regular reports to the Ombudsman about their PIDs.
<i>Queensland Audit Office (QAO)</i>	Any suspected material loss must be reported to the Auditor-General within six months of becoming aware of the loss, or if the loss is suspected to be the result of an offence under the Criminal Code or related Act.
<i>Queensland Police Service (QPS)</i>	If an agency or Director-General suspects any crime the agency or accountable officer must also inform the QPS.
<i>Queensland Integrity Commissioner (QIC)</i>	The Commissioner monitors compliance with the <i>Integrity Act 2009</i> and the Lobbyists Code of Conduct, and accepts reports of breaches.
<i>Office of the Information Commissioner (OIC)</i>	The OIC manages privacy complaints and mediates conflicts between privacy and the public interest.

The CCC '10-element fraud control model'

OIR is committed to effectively preventing, detecting and dealing with incidents of fraud and corruption and has adopted the Crime and Corruption Commission (CCC's) 10 point best practice fraud control model by:

1. **A corrupt conduct control framework** – through implementation of a department-wide corrupt conduct control policy which harnesses all operational and corporate functions to protect against fraud and corruption
2. **Risk management system** – by conducting appropriate corrupt conduct risk assessments
3. **Internal controls** - implementing appropriate internal controls which address the department's operating environment and specific risks
4. **Organisational reporting** - encouraging the internal reporting of suspected wrongdoing and potential or actual risks and areas for improvement
5. **Reporting systems** - external reporting to legislative entities, such as the CCC, Queensland Police Service (QPS), the Ombudsman and the Queensland Audit Office (QAO), pursuant to legislative requirements
6. **Protections and support for disclosers** - supporting persons who make a public interest disclosure
7. **Investigations** - effectively assessing and dealing with suspected wrongdoing
8. **Code of Conduct** - training employees in the requirements of the Code of Conduct for the Queensland Public Service (the Code of Conduct)
9. **Staff education and organisational culture change** - implementing other employee education and awareness initiatives aimed at maintaining continued high standards of professional and ethical conduct
10. **Client and community awareness** - publicly communicating that the department is committed to high standards of professional conduct and honest and ethical business practices.

Corrupt conduct control framework

Sections 7, 8 and 28 of the Financial and Performance Management Standard 2009 requires each accountable officer to ensure a governance framework is in place which includes a risk management system and an internal control structure to mitigate risk factors related to corrupt conduct. This is achieved through the implementation of a corrupt conduct control framework.

To ensure that it is complete and that all components work together to support each other, the following coordination tools are in place:

- OIR's Corrupt conduct control policy – this tells us 'why', 'what' and 'who'
- OIR's Corrupt conduct control plan – this tells us 'how'.

OIR Internal Controls are in place to monitor, identify, prevent, report, address and evaluate corrupt conduct. These include:

- an emphasis on effective accountability, performance, leadership and high standards of ethical and professional conduct

- an organisational culture that encourages feedback to improve current governance systems and that details clear reporting relationships and accountabilities including clear policies for the delegation and separation of duties
- a program of regular internal and external financial, compliance and performance audits
- OIR's Board of Management committee that identifies and assesses current and emerging issues
- OIR has a dedicated Fraud Control Officer (FCO) within Ethical Standards, Business and Corporate Services (BCS). The FCO is responsible for monitoring all aspects of the framework including policies, procedures, legislation and implementation. The FCO is responsible for investigating and reporting all complaints of corrupt conduct, and may also refer matters to external investigatory or prosecution organisations
- pre-employment criminal history screening
- mandatory reporting of all gifts and benefits for the department's register and all perceived and actual conflicts of interest. This includes any potential conflicts of interest of family members of employees that may have perceived or actual influence over a OIR decision or process
- comprehensive Public Interest Disclosure and Employee and Customer Complaints Management Frameworks
- the Principal Governance Coordinator BIPU also monitors OIR's general compliance, governance, performance and improvement. This includes responsibility for OIR's organisational performance, government reporting and planning, business continuity and complaints framework, ensuring that the department is accountable, transparent and compliant with all government requirements
- the Finance, Facilities and Procurement Unit within BCS is responsible for developing, disseminating and providing expert advice on financial policies, guidelines, methodologies and systems and ensuring the efficient operation of financial outputs and funding arrangements within the OIR
- Human Resources do not deal specifically with fraud or corruption, but are available to help staff and managers deal with general staffing, conduct and performance issues.

Departmental internal controls

- The department's Director, Ethical Standards Unit performs the role of the CCC liaison officer as does the OIR Director, Human Resources, Corporate Policy and Ethical Standards for OIR.
- The department's Strategy and Performance Unit is responsible for department's risk management framework, and monitors all aspects of the framework including policies, procedures, legislation and implementation, however OIR also has a Principal Governance Coordinator, Business Innovation and Planning Unit (PGC, BIPU) who works in conjunction with PwC.
- Internal Audit is also performed by the Internal Audit Unit for OIR and the department. They report directly to the senior executives within OIR and the department. They monitor issues and conduct regular audits of various OIR areas based on risk, and also frequently test internal controls. The Deputy Director-General is kept regularly informed of issues, and management are required to address the issues raised by Internal Audit.
- The Internal Audit Unit provide secretariat services for the Audit and Risk Management Committee which meets quarterly to monitor, review and bring issues to the department's senior executives attention. The ARMC oversees the department and OIR's financial management framework, risk management framework and audit function. PGC BIPU also report quarterly to OIR's Board of Management on risk management, fraud, compliance and

performance issues in OIR.

Legislation

The authorities for this policy can be found in the following Acts and Standards:

- *Criminal Code Act 1899*
- *Crime and Corruption Act 2001*
- *Financial Accountability Act 2009*
- *Financial and Performance Management Standard 2009*
- *Public Interest Disclosure Act 2010*
- *Public Records Act 2002*
- *Public Sector Ethics Act 1994*
- *Public Service Act 2008*
- *Integrity Act 2009.*

Related documents

The following related documents are used to inform and support the *Corrupt Conduct Policy*.

Resource Title
Public Disclosure Policy
Managing Employee Complaints Policy
Customer Complaints Management Policy
Gifts and Benefits Policy
Enterprise Risk Management Framework
Queensland Public Service Code of conduct
Workplace Behaviour and Environment Policy
Financial Management Practice Manual
Conflict of Interest Declaration
Contact with Lobbyists
Information Security Policy (under development)

Communication

The Corrupt conduct control policy and the Corrupt conduct control plan are also available on the OIR Intranet. It is also referred to staff in the course of undertaking training and awareness programs in the course of their employment.

Further information and support

Assistance with implementing and administering corrupt conduct processes within work environments is available.

If you have any questions or concerns about reporting corrupt conduct, please contact Ethical Standards, BCS on 3406 9811 for more information.

If you have any questions about the corrupt conduct framework please contact Business and Corporate Services OEDBCS@oir.qld.gov.au.

Administrative details

Version	Action	Date of action	Author/ Content Owner	Approval	Approval date
1.0	Created using DJAG fraud risk framework and Fraud and Corruption Control Plan as a starting point	March 2017	Suzy Reiche, Principal Governance Coordinator, BIPU Director, Ethical Standards (07) 3406 9811	Deputy Director- General OIR Simon Blackwood	21 June 2017
1.1	Updated to comply with PWC review	December 2017	Suzy Reiche, Principal Governance Coordinator, BIPU	Deputy Director- General OIR Simon Blackwood	23 December 2017

Review

This policy is to be reviewed every two years, with the next proposed review date as June 2019.

Definitions

Conduct	Is defined in section 14 of the CC Act to include neglect, failure and inaction; and conspiracy to engage in conduct; and attempt to engage in conduct.
Corrupt conduct	<p>Is defined in sections 14, 15, 16, 17 and 18 of the CC Act as the conduct of a person (regardless of whether the person holds or held an appointment) that fulfils each of the following elements:</p> <p>A. Adversely, or could adversely affect, directly or indirectly, the performance of functions, or the exercise of powers of a unit of public administration (UPA) or a person holding an appointment in a UPA; and</p> <p>B. Results, or could result, directly or indirectly, in the performance of functions or the exercise of powers mentioned above, in a way that is not honest or is not impartial; or involves a breach of the trust placed in a person holding an appointment, either knowingly or recklessly; or 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</p> <p>C. Is engaged in for the purpose of providing a benefit to the person or another person or causing a detriment to another person; and</p> <p>D. Would, if proved, be a criminal offence; or a disciplinary breach providing reasonable grounds for terminating the person’s services, if the person is or were the holder of an appointment.</p> <p>Conduct that involves any of the following could be corrupt conduct:</p> <ul style="list-style-type: none"> • abuse of public office, bribery, including bribery relating to an election, extortion, obtaining or offering a secret commission, fraud, stealing, forgery, perverting the course of justice, an offence relating to an electoral donation, loss of revenue of the State, sedition, homicide, serious assault or assault occasioning bodily harm or grievous bodily harm, obtaining a financial benefit from procuring prostitution or from unlawful prostitution engaged in by another person, illegal drug trafficking and illegal gambling. <p>Common examples of corrupt conduct could include:</p> <ul style="list-style-type: none"> • engaging in fraud and/or forgery to obtain a certain outcome e.g. manipulating timesheets to accumulate accrued hours not worked i.e. ‘fraud’ • stealing from the department, such as office supplies, laptops or portable and attractive items without returning them to the department i.e. ‘theft’

	<ul style="list-style-type: none"> • accessing and/or disclosing official, confidential or personal information for own benefit, for a family member or for third parties i.e. 'unauthorised release of information' • engaging in preferential treatment of certain suppliers of goods or services in return for a monetary consideration or other benefit from the supplier to you and/or your family members i.e. 'obtaining a secret commission' • hiring or promoting a family member or staff member to a role they are not qualified for, regardless of merit i.e. 'nepotism'.
The department	The department to which OIR is declared to be part of in accordance with the Public Service Departmental Arrangements Notice which are issued from time to time.
Departmental employees	All officers and employees of the Office of Industrial Relations, whether their employment status is permanent, temporary, contract, casual, volunteer and/or seconded from another department.
External control	An existing external process, policy, device, practice or other action that acts to minimise negative risks or enhance positive opportunities.
Internal control	An existing internal process, policy, device, practice or other action that acts to minimise negative risks or enhance positive opportunities.
Misconduct	<p>Encompasses any inappropriate or improper conduct relating to an officer's duties; OR any private act by an officer that reflects seriously and adversely on the public service. Corrupt conduct under the CC Act is not the same as misconduct under the Public Service Act 2008, although they do share some attributes; therefore not all misconduct will amount to corrupt conduct under the CC Act. For this reason, Misconduct may not warrant dismissal or criminal charges, and therefore has a lower threshold than corrupt conduct.</p> <p>An example is if an officer insults a client or a customer, the conduct would not be considered corrupt as it is neither a criminal offence nor serious enough to warrant dismissal, but is inappropriate and reflects adversely on the department. However, if the officer were to physically assault the client (criminal offence) or the officer escalates the situation by passing confidential information about the client to a third party (grounds for dismissal) the matter may be considered corrupt conduct.</p>
Public interest disclosure	The meaning given to the term in the Public Interest Disclosure Act 2010

Appendix A

Directions issued by the Crime and Corruption Commission pursuant to section 40 of the *Crime and Corruption Act 2001* (CCA)

Preamble

A public official must notify the Crime and Corruption Commission (CCC) of a complaint or information or matter which the public official reasonably suspects involves, or may involve, corrupt conduct pursuant to section 38 of the CCA.

The Director-General or the nominated officer of the department is the relevant public official for the purposes of sections 38, 40 and 48A of the CCA. In this regard, the Director General's responsibilities have been delegated to the Director, Ethical Standards Unit as the nominated CCC Liaison Officer.

Section 40 of the CCA provides that the CCC may issue directions about how and when a public official must notify the CCC of complaints under section 38.

The CCC has decided to issue directions under section 40 in relation to three categories. The CCC has determined two categories are appropriate to be dealt with by the agency, prior to notifying the CCC. All other complaints must be immediately referred to the CCC prior to the agency dealing with the complaint.

This document also sets out the agreed administrative arrangements between the CCC and the department in relation to directions issued in accordance with section 40 of the CCA, and must be read in conjunction with:

- **Corruption in Focus:** The CCC's guide for dealing with suspected corrupt conduct in Queensland public sector agencies issued by the CCC
- any other guidelines under section 48(1)(a) of the Act issued by the CCC
- any report generated by the CCC, and referred to the agency, in which it explains the assessment and the requirements of the agency for individual complaints.

1 General Instructions

- 1.1 Should the DG require an urgent CCC assessment of a complaint, initial notification may be made by telephone to an appropriate CCC officer.
- 1.2 These directions do not prevent the DG notifying the CCC of any complaint by way of a letter, email or facsimile transmission at any time.
- 1.3 If, in the course of dealing with a complaint pursuant to section 40 directions, conduct is revealed which falls within the **Level 1** category, the DG must cease any action in relation to the matter and immediately notify the CCC. (See Appendix B for reporting obligations for Level 1)

2 Administrative arrangements

- 2.1 Level 2 complaints must be notified to the CCC via a section 30 schedule (the schedule). The schedule must be provided by the department to the CCC at the conclusion of each calendar month and must be in the format prescribed by the CCC (as below).
- 2.2 The schedule must list all Level 2 complaints in the preceding period and must include, at a minimum and where known, the data identified at 3.6.1 to 3.6.7 for each complaint.
- 2.3 Subject to section 48 the CCC will advise the department within five working days of receipt of the schedule of any complaint on the schedule about which it:
 - requires further information

- wishes to monitor by way of a review
 - wishes to assume responsibility.
- 2.4 The department will nominate an officer designated as the CCC Liaison Officer to deal with inquiries from the CCC in relation to notifications of complaints and the monitoring of complaints and any other matters involving the CCC and the department. This will enable the CCC to expedite matters relating to complaints.
- 2.5 The CCC will provide contact details of a CCC officer designated to deal with any inquiries from the department in relation to matters relating to complaints.
- 2.6 Any matter a 'unit of public administration' deals with may be subject to monitoring, including audits, by the CCC. The agency must have systems in place to record these matters so they may be easily identified for the purpose of auditing by the CCC. Any system the agency implements must facilitate the recording of details as identified in the schedule requirements and must support the provision of investigative material or documents to the CCC. As a guide, an agency's system must be able to record the following:
- 2.6.1 The name of the complainant and/or informant and/or whistleblower
 - 2.6.2 The name of the alleged victim if he or she is not the complainant and/or informant and/or whistleblower
 - 2.6.3 The age of the alleged victim
 - 2.6.4 The name of the subject officer(s)
 - 2.6.5 The position held by the subject officer(s), and/or the details of the relevant Business Unit and/or District
 - 2.6.6 A précis of the complaint, including, where applicable the date and location of the alleged incident, the value of any property and the value of any detriment or loss incurred
 - 2.6.7 The action being taken by the agency at the time of referral to the CCC or advice as to the outcome of the matter
 - 2.6.8 The assessment and distillation of allegations
 - 2.6.9 Relevant policies and procedures
 - 2.6.10 The process used to deal with the matter
 - 2.6.11 Terms of reference (if appropriate)
 - 2.6.12 Evidence gathered including record of interviews, CCTV footage, photographs, documents etc
 - 2.6.13 Correspondence/notifications to complainants, subject officers and witnesses
 - 2.6.14 Investigation report or other document in which findings were made
 - 2.6.15 Decisions made by a delegated officer regarding disciplinary outcomes
 - 2.6.16 The outcome of any identified corruption risk activities
 - 2.6.17 Outcome advice correspondence to relevant parties.
- ** It is important to note that the unavailability of any of the above information should not preclude an officer from reporting a suspicion**.
- 2.7 After first giving the department a reasonable opportunity to address any issues of concern, the CCC can terminate this agreement unilaterally if it is dissatisfied with compliance by the department with its obligations under the Act, the section 40 directions or the administrative arrangements.