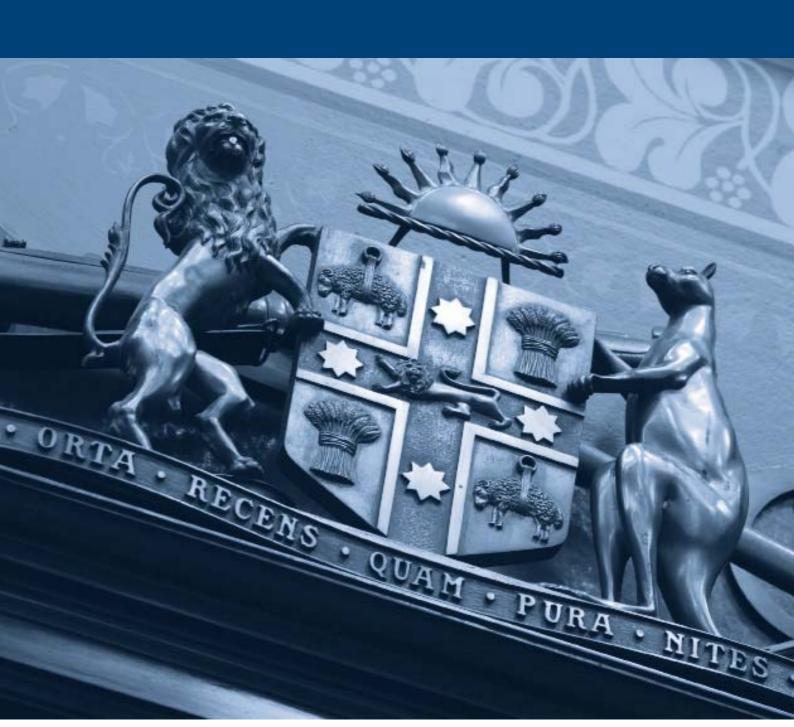


# Committee on the Independent Commission Against Corruption

REPORT 3/55 – OCTOBER 2013

REVIEW OF THE 2011-2012 ANNUAL REPORT OF THE INSPECTOR OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION



News South Wales Parliamentary Library cataloguing-in-publication data:

New South Wales. Parliament. Committee on the Independent Commission Against Corruption.

Review of the 2011-2012 Annual report of the Inspector of the Independent Commission Against Corruption / Joint Committee on the Independent Commission Against Corruption. [Sydney, N.S.W.]: the Committee, 2013. – [24] p.; 30 cm. (Report / Joint Committee on the ICAC; no. 3/55).

Chair: Dominic Perrottet, MP. "October 2013"

#### ISBN 9781921686771

- 1. New South Wales. Inspector of the Independent Commission Against Corruption. Annual report, 2011-2012.
- 2. New South Wales. Independent Commission Against Corruption.
- 3. Corruption investigation—New South Wales.
- 4. Accountability—New South Wales.
- I. Title
- II. Perrottet, Dominic.
- III. Series: New South Wales. Parliament. Joint Committee on the Independent Commission Against Corruption. Report; no. 3/55

### 353.46 (DDC21)

The motto of the coat of arms for the state of New South Wales is "Orta recens quam pura nites". It is written in Latin and means "newly risen, how brightly you shine".

### **Contents**

Membership	ii
Functions of the Committee	
Chair's Foreword	
COMMENTARY	1
INTRODUCTION	1
THE IMPACT OF THE INCREASED INVESTIGATIVE WORKLOAD OF THE ICAC	2
The performance of the Inspector's functions	2
Liaison between the Inspector and the Commission	3
RELOCATION OF PREMISES TO BLIGH ST, SYDNEY	4
LEGISLATIVE CHANGES	5
CONCLUSION	6
APPENDIX ONE – ANSWERS TO QUESTIONS ON NOTICE	7
APPENDIX TWO – ANSWERS TO QUESTIONS WITHOUT NOTICE (TRANSCRIPT OF EVIDENCE)	_ 13
APPENDIX THREE – EXTRACTS FROM MINUTES	_ 20

### Membership

CHAIR Mr Dominic Perrottet MP, Member for Castle Hill (from 18

September 2013)

Mr Mark Speakman SC MP, Member for Cronulla (until 2

September 2013)

DEPUTY CHAIR Mr Andrew Gee MP, Member for Orange

MEMBERS The Hon Richard Amery MP, Member for Mount Druitt

Mr Mark Coure MP, Member for Oatley

The Hon Thomas George MP, Member for Lismore Ms Tania Mihailuk MP, Member for Bankstown Mr Tim Owen MP, Member for Newcastle

The Hon Nathan Rees MP, Member for Toongabbie

The Hon Niall Blair MLC Rev the Hon Fred Nile MLC The Hon Lynda Voltz MLC

CONTACT DETAILS Committee on the Independent Commission Against Corruption

Parliament of New South Wales

Macquarie Street Sydney NSW 2000

TELEPHONE 02 9230 3054

FACSIMILE 02 9230 3309

E-MAIL <u>icaccommittee@parliament.nsw.gov.au</u>

URL www.parliament.nsw.gov.au/icac

REPORT 3/55

### **Functions of the Committee**

### INDEPENDENT COMMISSION AGAINST CORRUPTION ACT 1988 (ICAC ACT)

#### **Section 64 Functions**

- (1) The functions of the Joint Committee are as follows:
  - (a) to monitor and to review the exercise by the Commission and the Inspector of the Commission's and Inspector's functions,
  - (b) to report to both Houses of Parliament, with such comments as it thinks fit, on any matter appertaining to the Commission or the Inspector or connected with the exercise of its functions to which, in the opinion of the Joint Committee, the attention of Parliament should be directed,
  - (c) to examine each annual and other report of the Commission and of the Inspector and report to both Houses of Parliament on any matter appearing in, or arising out of, any such report,
  - (d) to examine trends and changes in corrupt conduct, and practices and methods relating to corrupt conduct, and report to both Houses of Parliament any change which the Joint Committee thinks desirable to the functions, structures and procedures of the Commission and the Inspector,
  - (e) to inquire into any question in connection with its functions which is referred to it by both Houses of Parliament, and report to both Houses on that question.
- (2) Nothing in this Part authorises the Joint Committee:
  - (a) to investigate a matter relating to particular conduct, or
  - (b) to reconsider a decision to investigate, not to investigate or to discontinue investigation of a particular complaint, or
  - (c) to reconsider the findings, recommendations, determinations or other decisions of the Commission in relation to a particular investigation or complaint.

### Chair's Foreword

This was the Committee's final annual report review with the Inspector, His Honour Harvey Cooper AM, whose term of appointment ends on 30 September 2013. The Committee wishes to place on the public record our thanks to the Inspector for his years of service and extend our best wishes for his future endeavours.

As part of this annual report review, the Committee examined a number of issues, including: the impact of the ICAC's increased investigative workload; relocation of the Inspector's premises to the Sydney CBD; and legislative changes.

The Committee considered two impacts of the increased investigative workload of the ICAC: the Inspector's performance of his functions; and the impact on liaison between the Inspector and the ICAC. The Committee is satisfied that the ICAC's increased workload has not led to a significant increase in the Inspector's workload, and the Inspector has been able to maintain satisfactory performance of his functions. The Committee will continue to monitor whether the Inspector may require additional support in the future, particularly in the conduct of audits.

In terms of the impact on liaison between the Inspector and the ICAC, the Committee has noted that while the memorandum of understanding between the Inspector and the ICAC states that they should meet at least once a month, meetings have been less regular than this. In the Committee's view, regular liaison is particularly important given that the current Inspector's term ended at the end of September 2013, and there will be a strong need to establish regular liaison between the new Inspector and Commissioner.

The Inspector's office was relocated from Redfern to the CBD in July 2012, implementing a recommendation made by the previous Committee. The new location will provide greater ease of access for complainants, ready access to the ICAC and significant cost savings through the elimination of rent.

The ICAC Act was amended to enable a number of agencies including the Inspector to simplify security vetting procedures for potential employees. The Committee encourages the Department of Premier and Cabinet to ensure that the Inspector is consulted in relation to future amendments to the ICAC Act.

REPORT 3/55

The Committee has been assisted in its work by the co-operation of the Inspector and his staff, and the Committee wishes to express its appreciation to Mr Cooper for the efficient performance of his duties throughout his term of office. I thank my fellow Committee members for their work on the Committee, and in particular I wish to acknowledge the contribution of the former Chair, Mr Mark Speakman. I also thank Committee staff for their work and support.

Mr Dominic Perrottet MP Chair

### Commentary

1. The functions of the Committee on the Independent Commission Against Corruption (the Committee) include examining each annual report and other report of the Inspector of the Independent Commission Against Corruption (the Inspector) and reporting to both Houses of Parliament on any matter appearing in, or arising out of, such reports. The review of the 2011-2012 annual report is the sixth review conducted by the Committee of the Inspector's functions.

### INTRODUCTION

- The Inspector is an independent statutory officer whose role is to oversight the work of the ICAC. The Inspector may investigate any aspect of the ICAC's operations or any conduct of any officers of the ICAC. The functions of the Inspector are set out in Part 5A of the ICAC Act, and include:
  - To audit the operations of the Commission for the purpose of monitoring compliance with the law of the State
  - To deal with (by reports and recommendations) complaints of abuse of power, impropriety and other forms of misconduct on the part of the Commission or officers of the Commission
  - To deal with (by reports and recommendations) conduct amounting to maladministration (including, without limitation, delay in the conduct of investigations and unreasonable invasions of privacy) by the Commission or officers of the Commission
  - Assess the effectiveness and appropriateness of the procedures of the Commission relating to the legality or propriety of its activities.<sup>2</sup>
- 3. As part of the current review, the Inspector, His Honour Harvey Cooper AM, was provided with questions on notice on matters arising from the *Office of the Inspector of the ICAC Annual Report 2011-2012* and the Committee conducted a public hearing on 21 June 2013. The full text of answers to questions on notice and the transcript of evidence from the public hearing are reproduced as Appendices to this report.
- 4. The Committee notes that the Inspector's term of appointment ended on 30 September 2013. The Committee wishes to place on public record its thanks to the Inspector for his years of service and extends its best wishes for his future endeavours.
- 5. In this review, the Committee has focused on the following issues that the Committee regards as significant to the effective functioning of the Inspector's Office and the performance of his statutory functions:

<sup>&</sup>lt;sup>1</sup> Independent Commission Against Corruption Act 1988 s 64

<sup>&</sup>lt;sup>2</sup> Independent Commission Against Corruption Act 1988 s 57B

- The impact of the increased investigative workload of the Independent Commission Against Corruption (the ICAC)
- Relocation of premises to Bligh St, Sydney
- Legislative changes.

### THE IMPACT OF THE INCREASED INVESTIGATIVE WORKLOAD OF THE ICAC

Two impacts were considered in relation to the increased investigative workload of the ICAC: the impact on the Inspector's performance of his functions; and the impact on liaison between the Inspector and the ICAC.

### The performance of the Inspector's functions

- 7. The issue of the increased investigative workload of the ICAC and the impact of this on the performance of the Inspector was a matter of interest for the Committee at the last annual report review. The Committee noted that the ICAC's increased investigative workload had led to an increase in the Inspector's workload, as had the Inspector's adoption of a new centralised complaint handling process. The Committee determined that it would monitor the impact of the ICAC's workload on the Inspector's performance of his functions.<sup>3</sup>
- 8. The ICAC's investigative workload again increased in the 2011-2012 reporting period. In 2011 the ICAC received additional funding to meet an increase in its investigative workload.
- 9. The Committee asked the Inspector if the increase in the investigative workload of the ICAC had impacted on his work. In his response, the Inspector commented that the large investigations had not had a significant impact on his workload:

So far, the increase in the investigative workload of the ICAC has had little impact on the resources of the Inspector to monitor and audit the ICAC's operations during 2011-12.<sup>4</sup>

10. The Inspector told the Committee that while the increased investigative workload of the ICAC had required him to audit more activity, it had not led to an increased rate of complaints made to the Inspector, and in fact the rate of complaints had dropped from previous years:

When I have audits, because of the extra work that the Independent Commission Against Corruption has done, it has meant that an auditor has had to look at more activity, but it has not increased the rate of complaints made to me. In fact, probably over the last 12 months the rate of complaints has dropped somewhat from the previous years. So the actual workload has not materially altered.<sup>5</sup>

<sup>&</sup>lt;sup>3</sup> Parliament of New South Wales, Legislative Assembly, Committee on the ICAC, *Review of the 2009-10 and 2010-11 Annual Reports of the Inspector of the ICAC*, June 2012, pp 8-9

<sup>&</sup>lt;sup>4</sup> Inspector of the ICAC, Responses to questions on notice 2013, 21 March 2013, question 8, p 2

<sup>&</sup>lt;sup>5</sup> The Hon Harvey Cooper AM, Inspector of the ICAC, *Transcript of evidence*, 21 June 2013, pp 1-2

- While the Inspector has not experienced any difficulty regarding workload arising out of the increased investigative workload of the ICAC, the Committee will continue to monitor whether the Inspector may require additional support to perform his functions, particularly the conduct of audits.
- 12. The Committee notes that in the 2011-2012 reporting period, the Inspector presented two audit reports to Parliament. The audits examined the ICAC's compliance with the ICAC Act and the *Surveillance Devices Act 2007* by testing the following:
  - Whether the ICAC obeyed the terms of the legislation
  - Evidence of abuse of power, impropriety or other forms of misconduct on the part of the ICAC
  - Evidence of maladministration
  - Effectiveness and appropriateness of ICAC procedures.
- 13. The Inspector found that the conduct of the ICAC in the 2011-2012 reporting period was in accordance with the law of the State. The audits revealed no evidence of abuse of power, impropriety or other forms of misconduct.

### Liaison between the Inspector and the Commission

14. The Committee enquired about the impact of the ICAC's increased investigative workload on liaison between the ICAC and the Inspector. A memorandum of understanding between the Inspector and Commissioner states that they or their respective nominated delegates agree to meet at least once per month:

#### 4. LIAISON

- 4.1 The primary point of liaison will be between the Inspector and the Commissioner or their respective nominated delegates.
- 4.2 The Inspector and the Commissioner agree to meet periodically, and at least once per month, to discuss relevant issues and raise any matters touching on the Inspector's functions and the conduct of the Commission. Both the Inspector and the Commissioner will keep their own short notes of these meetings. Contact at other times may occur as and when required.<sup>6</sup>
- 15. Speaking at the public hearing held on 21 June 2013, the Inspector commented that since November 2012 he had been unable to meet with the Commissioner in person every month. However he advised that they had maintained satisfactory communication by telephone and email:

... the Commissioner since last November has been rather busy; he has been sitting every day and I have not felt that it was appropriate that I should say, "Give up doing the job you are doing and come and meet me." We have been able to communicate on the telephone or by email satisfactorily to meet all the necessary needs as they

<sup>&</sup>lt;sup>6</sup> Inspector of the ICAC, Responses to questions on notice, Memorandum of Understanding, pp 3-6

have arisen from time to time, but there has not been a formal meeting once a month because of that fact.<sup>7</sup>

16. The Commissioner of the ICAC's evidence concurred with the Inspector's views. He commented that the lack of regular meetings was not due to lack of desire to meet, but simply that there had not been time. The Commissioner did not feel that this had impacted on the Inspector's performance of his role:

There has simply not been time. I had to meet Mr Cooper during lunchtime, in any event. It has been very difficult. It is not through a lack of desire to meet, but I do not think that there was anything to discuss, in particular. The matters in which he was interested he has written to us about and we have responded. I do not think that the lack of regular meetings has affected the supervision that he has exercised.<sup>8</sup>

- 17. The Committee is mindful of the importance of regular liaison between the Inspector and Commissioner. It could be argued that the heavy investigative workload of the ICAC indicates a greater requirement for regular liaison between the Inspector and Commissioner. While the Inspector and Commissioner are satisfied with the current level of communication, the Committee is aware of the requirements of the memorandum of understanding, and will continue to monitor compliance with the memorandum of understanding and the adequacy of communication between the Inspector and Commissioner.
- 18. The Committee observes that the issue of regular liaison is particularly important given that the current Inspector's term ended on 30 September 2013, and there will be a strong need to establish regular liaison between the new Inspector and Commissioner.

### RELOCATION OF PREMISES TO BLIGH ST, SYDNEY

- 19. In both the 2005-2006 and the 2006-2007 annual report reviews<sup>9</sup>, the previous Committee recommended that the office of the Inspector of the ICAC be relocated from Redfern to the Sydney CBD. The recommendation was made because the Redfern premises posed issues in terms of staff recruitment, amenity and safety. Additionally, it was felt that locating the offices within the central business district would be more convenient for complainants and more convenient for access to ICAC files.
- 20. The Committee is pleased that the office of the Inspector was relocated to Bligh St, Sydney in July 2012. The Inspectorate is now located alongside the Police Integrity Commission and the Office of the Inspector does not pay rent as the building is owned by the State.<sup>10</sup>

<sup>&</sup>lt;sup>7</sup> The Hon Harvey Cooper AM, Inspector of the ICAC, *Transcript of Evidence*, 21 June 2013, p 4

<sup>&</sup>lt;sup>8</sup> The Hon David Ipp AO QC, Commissioner of the ICAC, Transcript of evidence, 21 June 2013, p 4

<sup>&</sup>lt;sup>9</sup> Parliament of New South Wales, Legislative Assembly, Committee on the Independent Commission Against Corruption, Review of the 2005-2006 Annual Report of the Inspector of the Independent Commission Against Corruption, December 2007, recommendation 1, p 5 and Review of the 2006-2007 Annual Report and audit reports of the Inspector of the Independent Commission Against Corruption, October 2008, recommendation 1, p 2

<sup>&</sup>lt;sup>10</sup> His Hon Harvey Cooper AM, Inspector of the Independent Commission Against Corruption, *Transcript of evidence*, 21 June 2013, p 2

21. The new premises meet the aims of the previous Committee's recommendations in providing a CBD location with ease of access for complainants, ready access to the ICAC and significant cost savings through the elimination of the need to pay rent

### LEGISLATIVE CHANGES

- 22. The ICAC Act was amended in May 2013 to enable a number of agencies, including the ICAC and the Inspector of the ICAC, to authorise the use of, requests for and disclosure of certain information, including criminal intelligence, when vetting applicants for employment. The agencies may also authorise the use of, requests for and disclosure of information about associates and family members of the applicant, without the consent of the applicant.
- 23. The amendments to the ICAC Act have retrospective operation, in the sense that any previous actions by the Commission or the Inspector to access and use information for vetting applicants are now considered lawful if they are in line with the new provisions:

### Previous collection, use and disclosure of vetting information

Any collection, use or disclosure of vetting information to or by the Inspector or the Commission that occurred before the commencement of section 104C, as inserted by the Independent Commission Against Corruption and Other Legislation Amendment Act 2013, is taken to have been validly done if the collection, use or disclosure would have been valid if done on or after that commencement.<sup>12</sup>

24. The Inspector commented at the public hearing on 21 June 2013 that the amendment, as currently worded, left open the potential that the State could be sued:

There was an overall provision that said, in effect, if the actions of those agencies in vetting prior to the amendments complied with the terms of these amendments, they are valid. I felt that was rather dangerous in that there might have been some failure to give some notice required under the new amendment and I felt it would probably be safer to just say that what they did beforehand, provided it was bona fide, for the purpose of vetting staff would be enough. I put that up to the State solicitor, but they disagreed with me and said it is okay, it is quite alright. I just felt I was under a duty to point out that there was a potential there for the State to be sued. If they do not agree with me, fair enough; I have done my duty and have told them, and that is the end of that chapter as far as I am concerned.<sup>13</sup>

25. The Committee notes the importance of seeking the input of all stakeholders as part of a proper consultation process. The Committee encourages the Department of Premier and Cabinet to ensure that the Inspector is consulted in relation to future amendments to the ICAC Act.

 $<sup>^{11}</sup>$  Independent Commission Against Corruption and Other Legislation Amendment Act 2013

 $<sup>^{12}</sup>$  Independent Commission Against Corruption Act 1988, sch 4, cl 33

<sup>&</sup>lt;sup>13</sup> His Hon Harvey Cooper AM, Inspector of the Independent Commission Against Corruption, *Transcript of evidence*, 21 June 2013, p 4

### COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION COMMENTARY

### **CONCLUSION**

26. With the term of the Inspector expiring on 30 September 2013, the public hearing on 21 June 2013 was the last occasion for the Committee to examine Mr Cooper while in his role as Inspector. The Committee wishes to express its appreciation to Mr Cooper for the efficient performance of his duties as Inspector and for his cooperation with the Committee throughout his term of office.

## Appendix One – Answers to questions on notice

#### **Question One**

Section 3.2.2 of the annual report (pp 4-5) refers to the extent of the Inspector's power to make adverse findings against the Commission and/or its officers. You state that, unlike the ICAC, while you are entitled to make adverse findings against the Commission or its officers, you are not entitled to include a statement of any finding that the Commission or an officer of the Commission was or may have been guilty of a criminal offence or engaged in corrupt conduct. Do you have any further comments on this issue, for example, on the adequacy of the Inspector's powers to make adverse findings and to be able to make such statements?

#### **Answer**

The powers vested in the Inspector by sub-sections 57C (a) to (e) inclusive of the *Independent Commission Against Corruption Act 1988* (the ICAC Act) form the basis of the power to secure and consider evidence and to make findings of fact. Having made such findings of fact, the consequential powers available to the Inspector are set out in sub-sections (f) and (g); namely to refer matters relating to the Commission or officers of the Commission to other public authorities or public officials for consideration or action, and to recommend disciplinary action or criminal prosecution against officers of the Commission. Further powers of reporting or recommending are included in sections 57B (5) and 77 A of the ICAC Act.

It is the view of the current Inspector that the existing powers are adequate to achieve the

objectives set out in section 57B (1) of the ICAC Act.

### **Question Two**

Page 7 of the annual report notes that six public interest disclosures (PID) were made to the Inspector during the year. How does this compare to previous years?

#### **Answer**

In 2011-12 six public interest disclosures were made. The number of public interest disclosures made in previous years were:

2010-11: 10 2009-10: 5 2008-09: 12

### **Question Three**

The public interest disclosures policy of your office states that from 1 January 2012 the *Public Interest Disclosures Act 1994* requires public authorities to:

- collect data about public interest disclosures;
- provide to the NSW Ombudsman a six monthly report on incidence of disclosures received and compliance with the PID Act;
- prepare an annual report on organisational compliance with obligations under the PID Act for submission to the Premier (with a copy to be provided to the Ombudsman).

Have the PID reporting requirements impacted on your Office's workload?

### COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION ANSWERS TO QUESTIONS ON NOTICE

#### **Answer**

The extra requirements do add to the workload of the Office but they are manageable within the Office's existing resources.

#### **Question Four**

The annual report notes that total expenditure for the reporting year was \$438,642 and the OIICAC budget was \$453,148 (p 12). Is this budget at an appropriate level for future years?

### **Answer**

It is difficult to say that the current budget for the office will be appropriate for future years. It has been appropriate to date. However, if there is a significant increase in the office's workload, for example, due to an increase in the number of complaints and the volume of investigations required to be undertaken then the level of the budget will need to be reviewed at the relevant time.

### **Question Five**

Are current staffing arrangements adequate to fulfil the functions of the OIICAC if workload increases much beyond current levels?

#### **Answer**

The answer to this question is the same as for question 4. A further point noted however is that the Inspector has the capacity to employ additional staff on a private or public sector capacity as required.

#### **Question Six**

The annual report notes that an updated version of the Inspector's memorandum of understanding with the ICAC (MOU) was executed on 14 June 2012 (p 12). Please provide the Committee with a copy of the updated MOU.

#### **Answer**

A copy of the Inspector's Memorandum of Understanding (MOU) with the Commissioner dated 14 June 2012 is attached. It is in substantially the same terms as the previous MOU.

### **Question Seven**

The Committee notes that one of the principal functions of the ICAC Inspector is to assess the effectiveness and appropriateness of the procedures of the Commission relating to the legality or propriety of its activities. Could you elaborate on the ways in which you have assessed the effectiveness and appropriateness of the ICAC's procedures in this reporting period?

#### **Answer**

The ways in which the effectiveness and appropriateness of the ICAC's procedures were assessed during the reporting period are as follows:-

• Conducting an audit of the exercise between 1 September 2010 and 31 March 2011 by the ICAC of its coercive powers under sections 21, 22, 23, and 35 of the ICAC Act. The Report on this Audit was published in March 2012.

- Conducting an audit of the exercise during the year 2011 by the ICAC of its applications for and execution of Surveillance Device Warrants and Retrieval Warrants under Part 3 of the Surveillance Devices Act 2007. The Report of this Audit was published in April2012.
- When dealing with complaints against the ICAC consideration is given to the effectiveness and appropriateness of its procedures.

### **Question Eight**

The ICAC received additional annual funding from 2011 to meet an increase in its investigative workload. What impact has the ICAC's increased investigative workload had on your resources to monitor and audit the ICAC's operations during 2011-12?

#### **Answer**

So far, the increase in the investigative workload of the ICAC has had little impact on the resources of the Inspector to monitor and audit the ICAC's operations during 2011-2012.

Examination of audit reports reveals the following use by the ICAC of its powers under sections 21, 22 and 35 of the ICAC Act over the past few years:-

S. 21 Notices	01/04/09- 30/09/09	6		
	01/09/10- 31/03/11	38		
	01/09/11 - 29/02/12	8		
S. 22 Notices	01/04/09- 30/09/09	196		
	01/09/10- 31/03/11	333		
	01/09/11 - 29/02/12	295		
S. 35 Summonses 01/04/09- 30/09/09				
	01/09/10- 31/03/11	48		
	01/09/11 - 29/02/12	54		

# MEMORANDUM OF UNDERSTANDING BETWEEN THE INDEPENDENT COMMISSION AGAINST CORRUPTION AND THE INSPECTOR OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION

This Memorandum of Understanding ("MOU") is made on this day the 14th day of June 2012 between the Independent Commission Against Corruption ("the Commission") and the Inspector of the Independent Commission Against Corruption ("the Inspector").

### 1. BACKGROUND

### COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION ANSWERS TO QUESTIONS ON NOTICE

- 1.1 The Inspector's role was created by the provision of the *Independent Commission Against Corruption (Amendment) Act 2005* which inserted Part SA into the *Independent Commission Against Corruption Act 1988* ("the ICAC Act"). The relevant provisions commenced operation on 1 July 2005.
- 1.2 The principal functions of the Inspector are set out in section 57B of the ICAC Act provide as follows;
- 1. The principal functions of the Inspector are:
- a) To audit the operations of the Commission for the purpose of monitoring Compliance with the law of the State, and
- b) To deal with (by reports and recommendations) complaints of abuse of power, impropriety and other forms of misconduct on the part of the Commission or officers of the Commission and
- c) To deal with (by reports and recommendations) conduct amounting to maladministration (including, without limitation, delay in the conduct of investigations and unreasonable invasions of privacy) by the Commission or offers of the Commission and
- d) To assess the effectiveness and appropriateness of the procedures of the Commission relating to the legality or propriety of its activities.
- 2. The functions of the Inspector may be exercised on the Inspector's own initiative, at the request of the Minister, in response to a complaint made to the Inspector or in response to a reference by the Joint Committee or any public authority or public official.
- 3. The Inspector is not subject to the Commission in any respect.
- 4. For the purposes of this section conduct is of a kind that amounts to maladministration if it involves action or inaction of a serious nature that is:
- a) contrary to law, or
- b) unreasonable, unjust, oppressive or improperly discriminatory, or
- c) based wholly or partly on improper motives.
- 1.3 Section 57C of the ICAC Act sets out the powers of the Inspector and provides as follows; *The Inspector:*
- a) may investigate any aspect of the Commission's operations or any conduct of officers of the Commission, and
- b) is entitled to full access to the records of the Commission and to take or have copies made of any of them, and
- c) may require officers of the Commission to supply information or produce documents or other things about any matter, or any class or kind of matters, relating to the Commission's operations or any conduct of officers of the Commission, and
- d) may require officers of the Commission to attend before the Inspector to answer questions or produce documents or other things relating to the Commission's operations or any conduct of officers of the Commission, and
- e) may investigate and assess complaints about the Commission or officers of the Commission, and
- f) may refer matters relating to the Commission or offers of the Commission to other public authorities or public officials for consideration or action, and
- g) may recommend disciplinary action or criminal prosecution against officers of the Commission.

### 2. PURPOSE

2.1 To set out arrangements for liaison between the Commission and the Inspector concerning referral of matters, exchange of information and points of contact between both agencies.

### REVIEW OF THE 2011-2012 ANNUAL REPORT OF THE INSPECTOR OF THE ICAC ANSWERS TO QUESTIONS ON NOTICE

#### 3. INTENT

3.1 The Commission undertakes to co-operate fully and frankly with the Inspector and his staff in order to assist the discharge of the Inspector's functions under the ICAC Act.

### 4. LIAISON

- 4.1 The primary point of liaison will be between the Inspector and the Commissioner or their respective nominated delegates.
- 4.2 The Inspector and the Commissioner agree to meet periodically, and at least once per month, to discuss relevant issues and raise any matters touching on the Inspector's functions and the conduct of the Commission. Both the Inspector and the Commissioner will keep their own short notes of these meetings. Contact at other times may occur as and when required.
- 4.3 If the Inspector or his staff need information or material or to inquire of the Commission regarding a complaint or other matter touching on the conduct of the Commissioner, this will be referred to the Deputy Commissioner in the first instance. In the absence of the Deputy Commissioner, such inquiry will be directed to the Solicitor for the Commission.
- 4.4 For any other matters arising from the Inspector's functions, general inquiries, or requests for information and material etc, liaison shall occur between the Inspector's staff and the Deputy

Commissioner In the absence of the Deputy Commissioner, such inquiry will be directed by the Inspector's staff to the Solicitor for the Commission.

- 4.5 Where the Inspector and/or his staff wish to interview any of the Executive Directors of the Commission in connection with a complaint, the Commissioner will be notified wherever possible.
- 4.6 Where the Inspector and/or his staff wish to interview any staff of the Commission in connection with a complaint, the Deputy Commissioner will be advised wherever possible.
- 4.7 The Commission acknowledges however, there may be occasions where the Inspector and his duly authorized staff may need to act unilaterally without prior notification as outlined in paragraphs 4.5 and 4.6.
- 4.8 Written correspondence from the Commission to the Inspector will be addressed to the to the Inspector and marked "Private and Confidential" c/-;

Office of the Inspector of the Independent Commission Against Corruption GPO Box 5341
SYDNEY NSW 2001

Or by email to InspectorICAC@oiicac.nsw.gov.au Or such other address as the Inspector may advise.

### 5. NOTIFICATION OF COMPLAINTS OF MISCONDUCT BY THE COMMISSION TO THE INSPECTOR

COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION

ANSWERS TO QUESTIONS ON NOTICE

5.1 The Commission will notify the Inspector of matters which come to its attention which involves conduct of an officer of the Commission that comes within the principal functions of

the Inspector.

5.2 Unless urgent and requiring immediate attention, in which case oral communication will be provided to the Inspector as soon as possible to be subsequently confirmed in writing, all such

matters will be communicated to the Inspector by way of written notification.

5.3 Notification of matters referred to in paragraph 5.1 will also be reported by way of schedule to be provided at the meeting between the Inspector and the Commissioner as

referred to in paragraph 4.2. The schedule will briefly set out the relevant information as available and known to the Commission including any action of the Commission itself has

taken to deal with the complaint.

5.4 The Commission will make information concerning the Inspector's role and function

publicly available to complainants. This includes:

a) having copies of the relevant brochures concerning the Inspector's role and functions

available at the waiting room and/or public areas of the Commission's premises;

b) having appropriate information about the Inspector and links to the Inspector's website on

the ICAC webpage;

c) where determination is made not to investigate a complaint, further advise the

complainants of the basis upon which they may be able to pursue a complaint with the

Inspector and provide the Inspector's contact details.

5.5 Furthermore, where requested, Commission officers will provide any persons with the contact details for the Inspector as per the address details in paragraph 4.8 and/or the Office

of the Inspector's general telephone number of (02) 8374-5381.

6. REVIEW

6.1 This MOU may be reviewed at any stage the request of either party but in any event shall

be reviewed no later than 12 months from the date of the MOU.

The Hon. David lpp QC

Commissioner of the ICAC

Harvey Cooper AM

Inspector of the ICAC

# Appendix Two – Answers to questions without notice (transcript of evidence)

This appendix contains a transcript of evidence taken at a public hearing held by the Committee on 21 June 2013. Page references cited in the commentary relate to the numbering of the original transcript, as found on the Committee's website.

**HARVEY LESLIE COOPER**, Inspector, Office of the Inspector of the Independent Commission Against Corruption, sworn and examined, and

**SEEMA SRIVASTAVA,** Executive Officer, Office of the Independent Commission Against Corruption, affirmed and examined:

**CHAIR:** I declare open the Committee on the Independent Commission Against Corruption public hearing. It is a function of the Committee on the Independent Commission Against Corruption to examine each annual and other report of the Commission and the Inspector of the Independent Commission Against Corruption and report to both Houses of Parliament in accordance with section 64 (1) (c) of the Independent Commission Against Corruption Act 1988. The Committee welcomes the Inspector of the Independent Commission Against Corruption to the table for the purpose of giving evidence on matters relating to the Inspector's annual report for 2011-12. Inspector, I convey the thanks of the Committee for your appearance today. I understand that this will be your final visit to Parliament in your capacity as the Inspector of the Independent Commission Against Corruption.

I understand that you appear today in your capacity as the Inspector of the Independent Commission Against Corruption?

Mr COOPER: Correct.

CHAIR: In what capacity do you appear before the Committee today?

Ms SRIVASTAVA: As the executive officer.

**CHAIR:** Would you like to make an opening statement before the commencement of questions?

**Mr COOPER:** As you have mentioned, this is my final appearance as the Inspector. I would like to place on record my appreciation for the cooperation I have had during the past almost five years from the Committee and from the Commission itself and its officers. It has made my job a lot easier and I hope has resulted in a much smoother, prompt administration of the office. Otherwise, I have nothing further to add.

**CHAIR:** Do you have any advice for your successor, whoever that might be?

**Mr COOPER:** Yes. My advice is to appreciate that the Office of the Inspector and the Office of the Commissioner are not in opposition to each other but to work together for a common goal, namely the goals as set out in the early sections of the Independent Commission Against Corruption Act. That is my main advice.

### COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION ANSWERS TO QUESTIONS WITHOUT NOTICE (TRANSCRIPT OF EVIDENCE)

That means that you do not try to second-guess what a person has said; you do not openly criticise publicly, unless it is necessary, what the Commission says; and you deal with it, pointing out to the Commission in a proper way, respectful of the office, what has to be done if you disagree with something. That is my main advice.

**Mr ANDREW GEE:** Given that your term is expiring, do you have any views or suggestions as to how the roles or functions of the office could be improved?

**Mr COOPER:** This may sound rather strange but no. I think the system has worked. It has worked primarily because I have been fortunate in that the two Commissioners I have had to deal with have been people who have sat down, listened to what has been said, and generally have been prepared to discuss matters, and they have operated very efficiently and very well. My main problem has been perhaps with understanding the definition of "corruption" in the Act, but that is probably due to deficiencies in my intellectual capacities. I certainly do not have views sufficiently strong to make any suggestions for alterations.

**Mr MARK COURE:** Thank you for your years of service. Has the considerable activity of the Independent Commission Against Corruption impacted on any other aspect of your work?

**Mr COOPER:** No, it has not, really. When I have audits, because of the extra work that the Independent Commission Against Corruption has done, it has meant that an auditor has had to look at more activity, but it has not increased the rate of complaints made to me. In fact, probably over the last 12 months the rate of complaints has dropped somewhat from the previous years. So the actual workload has not materially altered.

**Mr MARK COURE:** In addition to that, how many complaints—I do not have the report in front of me; I did read it—did you have over the past 12 months?

**Mr COOPER:** During 2011-12 there were 32 complaints considered. That was down from 42 in 2010-11, and in 2009-10 it was 40. I think the current year to date we are round about 28 to 30. I do not have the precise figure.

Mr THOMAS GEORGE: Thank you for your years of service. I do not have any questions.

**The Hon. LYNDA VOLTZ:** You relocated from Redfern into the city. Are you co-located with the Independent Commission Against Corruption or is it in separate premises?

Mr COOPER: We happen to be next door but they are totally separate.

**Ms SRIVASTAVA:** We are next door to the Police Integrity Commission, not the Independent Commission Against Corruption.

**Mr COOPER:** I beg your pardon. We are not co-located with the Independent Commission Against Corruption. The Independent Commission Against Corruption is in the Imperial Arcade building in Castlereagh Street. We are down at No. 4-6 Bligh Street.

**The Hon. LYNDA VOLTZ:** So it was not a move that was predicated on co-location.

**Mr COOPER:** No. The move was predicated on saving the State money. Instead of paying rent out at Redfern, we are in a building that was owned by the State.

**The Hon. LYNDA VOLTZ:** So you will go back to now having to pay rent.

### REVIEW OF THE 2011-2012 ANNUAL REPORT OF THE INSPECTOR OF THE ICAC ANSWERS TO QUESTIONS WITHOUT NOTICE (TRANSCRIPT OF EVIDENCE)

**Mr COOPER:** I do not know. All I know is that on the monthly accounts we get from the Department of Premier and Cabinet since we moved there has been no mention made of rent and we are keeping our fingers crossed.

Mr RICHARD AMERY: First, I wish you all the best. Even in my time as chair of this Committee, I found the relationship between you and the Committee and the members very cooperative. I think we learned a lot from our association and our visits to your previous premises. It is not within the time frame of this review that the April 2013 audit report is commented on, but I found it a very informative document. I thank you and the office of the Inspector for that.

**Mr COOPER:** Incidentally, there is another one I just presented yesterday.

Mr RICHARD AMERY: They are coming quicker than I thought. You made a point that the number of complaints had reduced despite the well-publicised increased activity down at the ICAC. Some of my parliamentary colleagues might find my interest in the website hits to be quite novel, but you will notice on page 15 it talks about the number of people—I assume they are members of the public and other interested bodies—making inquiries of the Inspector's office through the website. Generally speaking, they are less than about 1,000 a month. However, there is a spike in May and June of 2012 of 14,608 in May and 7,208 in June.

So over two months the number of hits dramatically increased. Was that in relation to a lot of people appearing before the Commission? Is there any explanation as to why there was such a bounce in the activity? In relation to the complaints that are listed, is there any indication that the complaints to the Inspector are from the people who are being brought before the Commission for corruption allegations and so on, or are they employee-related complaints in relation to employees of the Commission disgruntled, if you like, or not disgruntled? Basically, what is the source of those complaints?

**Mr COOPER:** Dealing first with the hits, I must confess we were just as surprised about the spike in May and June as anybody else would be, and we have no way of knowing the cause of it. All we could say was during those months we were engaged in a major update of our website and that would have had some effect.

But whether it had a major effect, demonstrated by the figures, I honestly do not know. Dealing with the type of complaints we have had, people who have had dealings with the Commission, because they or their associates are being investigated, have formed a very, very small proportion of the complaints we get. They have probably amounted to perhaps one, two, maybe three a year. The vast majority of the complaints have come from people who had lodged a complaint with the Commission, the Commission has said we are not going to investigate it because there is just no evidence of corruption. A lot of those relate to people who have been dissatisfied with decisions of local government bodies.

Mr RICHARD AMERY: Understandable.

**Mr COOPER:** It is purely my guess—I have no factual or evidentiary reason for saying this—but after the local government elections last year the number of complaints regarding local government bodies dropped.

That may be a case of coincidence; it may not. But I am just saying it is a fact.

Mr NATHAN REES: Firstly, congratulations on your period of work and best of luck for what may lie ahead for you, and thank you to the organisation for the work you do. In terms of

### COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION ANSWERS TO QUESTIONS WITHOUT NOTICE (TRANSCRIPT OF EVIDENCE)

reputational risk for the Independent Commission Against Corruption, what do you see on the horizon, if anything?

**Mr COOPER:** It depends on what is going on in a given period of time.

Mr NATHAN REES: Let me crystallise it for you. We have had any number of people dragged through the Independent Commission Against Corruption over the last 12 months. Their presence there diminishes their public reputation, whether they are guilty of anything or not. The community now expects particular findings around individuals. What happens if those findings do not emerge, or the individuals who have been front and centre of these inquiries are not charged?

Mr COOPER: As Mr Amery knows, I belong to a bowling club and over the course of afternoon tea at the bowling club this type of question is raised with me. I get people who say, "This is just a sham; those people won't be charged." When you explain to them, "They don't have to be charged, that is not ICAC's function; the Commission's function is to determine the facts and then it is up to other people to decide whether there is the evidence", they understand. They also understand that the Independent Commission Against Corruption can make findings on evidence that would not be admissible at a criminal trial. I think generally the reputational effect on the Independent Commission Against Corruption would not be so bad—if at all bad—because really the Commission tries to make it clear that it is just an investigatory body and it is there to disclose corruption, not to punish corruption.

I also get some complainants saying, "Well, ICAC wouldn't look at my complaints; they said there is no evidence of corruption" and "All that ICAC is interested in is the big names, not the events involving local councils and their misuse of their powers." That sort of thing I suppose does affect reputation, but I think we just have to look at the overall situation rather than the small, and realise that any government body or local government body that has to make decisions is going to be subject to criticism, and one can only hope that with proper education the criticism will be valid and balanced. That is the best answer I can really give.

**Ms TANIA MIHAILUK:** I do not have any questions, but I wish you the best in retirement. Congratulations on your efforts throughout the years.

Mr COOPER: Thank you.

**The Hon. NIALL BLAIR:** Congratulations on the work that you have done and all the best for the future. I am curious about the transitional arrangements that the office has put in place to ensure that there is a smooth transition to the next Inspector. Are there any particular arrangements to ensure that there is a smooth transition?

**Mr COOPER:** I would hope that the announcement of my successor will be made before 30 September. I would hope I will be able to get together with that person in the office and explain what is going on. The staff, which consists of Ms Srivastava as well as Felicity Cannon, will be continuing. Between the three of us, we should be able to achieve a reasonable transition to the next phase.

**Reverend the Hon. FRED NILE:** I add my thanks for your service as Inspector.

Mr COOPER: Thank you.

### REVIEW OF THE 2011-2012 ANNUAL REPORT OF THE INSPECTOR OF THE ICAC ANSWERS TO QUESTIONS WITHOUT NOTICE (TRANSCRIPT OF EVIDENCE)

**Reverend the Hon. FRED NILE:** I note that under the memorandum of understanding you are to meet periodically with the Commissioner, at least once a month. How often did you meet with him in the last 12 months?

Mr COOPER: I am afraid that has been more honoured in the breach than the observance—not because of the Commissioner's fault or my fault, but the Commissioner since last November has been rather busy; he has been sitting every day and I have not felt that it was appropriate that I should say, "Give up doing the job you are doing and come and meet me." We have been able to communicate on the telephone or by email satisfactorily to meet all the necessary needs as they have arisen from time to time, but there has not been a formal meeting once a month because of that fact. I did have a formal meeting with him about three or four weeks ago, but that was the first one since about last November.

**Reverend the Hon. FRED NILE:** It is one or two meetings a year then.

**Mr COOPER:** It has worked out this year that way because of what I hope will be unusual demands upon the Commissioner's time.

**Reverend the Hon. FRED NILE:** One could argue, because of the Commissioner's heavy load and the very serious cases he is investigating, there is perhaps more need for you to keep in touch with him.

**Mr COOPER:** Yes, well, we have been in touch, but not had actual meetings, face-to-face meetings.

**CHAIR:** Leaving aside the Telecommunications (Interception and Access) Act that is referred to in your report and the evidence you gave a little while ago about your uncertainty about the definition of corrupt conduct, are there any areas in the Act that you think need reforming—

Mr COOPER: No.

**CHAIR:** —or any legislation that is relevant to your functions?

Mr COOPER: There was an amendment made to the Act on 25 May I think. It really authorised a number of agencies, including the Independent Commission Against Corruption and the Inspectorate, to vet candidates for employment. There was an overall provision that said, in effect, if the actions of those agencies in vetting prior to the amendments complied with the terms of these amendments, they are valid. I felt that was rather dangerous in that there might have been some failure to give some notice required under the new amendment and I felt it would probably be safer to just say that what they did beforehand, provided it was bona fide, for the purpose of vetting staff would be enough. I put that up to the State solicitor, but they disagreed with me and said that is okay, it is quite alright. I just felt I was under a duty to point out that there was a potential there for the State to be sued. If they do not agree with me, fair enough; I have done my duty and have told them, and that is the end of that chapter as far as I am concerned. I think I sent a letter to you, Mr Chairman, setting out those problems that I thought I had.

CHAIR: We do not think we have received that letter; would you mind sending it again?

Mr COOPER: Certainly.

### COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION ANSWERS TO QUESTIONS WITHOUT NOTICE (TRANSCRIPT OF EVIDENCE)

**The Hon. LYNDA VOLTZ:** What was the cost of the move from Redfern to Sydney, do you know?

**Ms SRIVASTAVA:** Mr Cooper has asked me to answer that question. We actually did not get a costing for that because the costing was absorbed by the Department of Premier and Cabinet. They footed the bill for everything, and we used all our own current furniture, so there was no cost allocated in the next month's transactions listing to us for that at all.

The Hon. LYNDA VOLTZ: Is it possible to take that as a question on notice?

Ms SRIVASTAVA: Yes, I can do that and find out for you.

Mr RICHARD AMERY: You mentioned the number of complaints and broke up the type of complaints that you receive. Quite a lot of those complaints were from people who had put in a corruption allegation to the Independent Commission Against Corruption, which had resolved not to investigate, and those people then came to you and complained about the Commission's decision. In the period that we are now assessing, were any of those complaints upheld in that you went back to the Independent Commission Against Corruption and said that the complainant was justified in being disappointed with the Independent Commission Against Corruption decision not to investigate? The second part of the question is, and I hope this is hypothetical: Should that be the case and you were to find that the complaint was justified, would you have the authority to direct the Independent Commission Against Corruption to carry out the investigation that it had previously rejected?

Mr COOPER: The answer to the first question is no, there were none in which I felt that there should have been further investigation because there was just no evidence of corruption. Basically, the fault lay with inadequate supervision and education of the staff of the local government authority. My powers to direct the Commission to do something just do not exist. My power is only to make a recommendation. There was no case in the year under review that I did make such a recommendation; however, I have in the past and I must say that in every case where I have made a recommendation it has been acted upon.

**Mr NATHAN REES:** Are you comfortable with the approach of the Independent Commission Against Corruption with regard to the balance between public and private hearings?

Mr COOPER: I must confess that I have not studied that as a matter to examine closely, but I have conducted audits of the exercise of compulsory powers and one of the compulsory powers under section 35 is to call up for a compulsory conference. In the cases I have looked at, I felt they had been clearly justified. They, of course, are held in private. Were you referring to public examinations?

Mr NATHAN REES: Public and private. I will cut to the chase, and if people think that I am conflicted here, let me know and I will leave. I have been down there four times in the last 12 months—two privately and two publicly—to be asked precisely the same questions every time, even though I am a witness for the prosecution, so to speak. It is an unedifying exercise going through a media scrum each time, and your name is attached to a negative inquiry throughout. The clear impression I get is that it is an exercise in public relations rather than fact finding. I get asked the same questions each time. Do you have a view on that, or are we happy to have members of the public dragged through this exercise that may or may not result in charges, let alone a conviction?

### REVIEW OF THE 2011-2012 ANNUAL REPORT OF THE INSPECTOR OF THE ICAC ANSWERS TO QUESTIONS WITHOUT NOTICE (TRANSCRIPT OF EVIDENCE)

**Mr COOPER:** I suppose it depends on how you frame it. You can frame it as members of the public being dragged through this exercise, or you can frame it as members of the public assisting a statutory authority to perform its statutory function and thereby disclose potential corruption on the part of the targets.

Mr NATHAN REES: My question is about the balance between public and private hearings, not whether someone should or should not go—no-one has an issue with that—but whether individuals, in the course of a case that has a high public profile, are required to attend public hearings for purposes other than, frankly, providing material which they have already provided.

Mr COOPER: I really cannot answer that question. It is a matter that really goes to the whole philosophy embodied in the Act itself. That is the Act prepared by Parliament and the Independent Commission Against Corruption is using that Act. I can understand why it is necessary to give evidence at a compulsory examination in private and then later to have that examination revealed to the public at large. Whether the scrum of media is appropriate or not is another matter. I can understand your concern but I can also see that it is really fulfilling the philosophy embodied in the Act itself. I cannot give you any further answer than that.

**Reverend the Hon. FRED NILE:** Following up Mr Rees' question, should there be some arrangement whereby witnesses could enter the Independent Commission Against Corruption by vehicle to an underground car park and then enter the courtroom for questioning without having to go through this media scrum at the front of the building? It is almost physical harassment.

**Mr COOPER:** That is a possibility. That is a matter for discussion with the Commissioner. The function of the Inspector is to determine whether the Commission in what it has done or not done has committed misconduct, as defined in the Act. I would not necessarily regard the absence of an underground approach or a backdoor approach to the hearing room as a matter of misconduct.

**CHAIR:** Any there any final questions? If not, thank you very much for giving evidence today and for your service to the State. The Committee resolved in a deliberative meeting before we commenced our public hearing that we would ask witnesses to respond to any questions on notice within two weeks. Is that satisfactory?

Ms SRIVASTAVA: Yes, that is fine.

### Appendix Three – Extracts from Minutes

### Minutes of Proceedings of the Committee on the Independent Commission Against Corruption (no. 11)

1:33pm, Thursday, 15 November 2012 Room 1254, Parliament House

#### **Members Present**

Mr Speakman, Mr Amery, Mr Blair, Mr Coure, Ms Mihailuk, Mr Owen, Mr Rees, Ms Voltz

#### **Apologies**

Mr Gee, Mr George, Revd Nile

### 1. Confirmation of minutes

Resolved, on the motion of Mr Coure, that the minutes of the deliberative meeting of 19 July 2012 be confirmed.

### 2. Forward planning - reviews of the ICAC's and ICAC Inspector's annual and other reports for 2011-12

The Committee noted the indicative timeline for the conduct of the annual report reviews and the completion of the reports. Discussion ensued.

### 3. Correspondence

The Committee noted the incoming correspondence from:

- ICAC Inspector regarding his powers under the ICAC Act, dated 19 July 2012
- \*\*\*
- \*\*\*
- \*\*\*
- Premier regarding amendments to the ICAC Act, dated 28 September 2012

Resolved, on the motion of Mr Owen, seconded Mr Amery, that the Committee write to the ICAC Inspector, advising that the Committee will consider the issue of the Inspector's power to make adverse findings under the ICAC Act as part of the review of the Inspector's Annual Report for 2011-12.

### 4. \*\*\*

The committee adjourned at 1.39pm until a date to be determined.

### Minutes of Proceedings of the Committee on the Independent Commission Against Corruption (no. 12) ·

1:30pm, Thursday, 30 May 2013 Room 1254, Parliament House

### **Members Present**

Mr Speakman, Mr Amery, Mr Blair, Mr Coure, Mr Gee, Mr George, Revd Nile, Ms Mihailuk, Mr Owen, Mr Rees, Ms Voltz

#### 1. Correspondence

The Committee noted the incoming correspondence from:

- ICAC Inspector, with answers to questions on notice, dated 21 March 2013
- ICAC, with answers to questions on notice, dated 28 March 2013
- \*\*\*

Resolved, on the motion of Mr Owen, seconded Revd Nile, that the Committee publish answers to questions on notice from the ICAC and ICAC Inspector.

### 2. Confirmation of minutes

Resolved, on the motion of Mr Coure, seconded Mr Blair, that the minutes of the deliberative meeting of 15 November 2012 be confirmed.

3. Forward planning - reviews of the ICAC's and ICAC Inspector's annual reports for 2011-12

The Committee noted that Mr Harvey Cooper AM, Inspector of the ICAC, and the Hon David lpp AO QC, Commissioner of the ICAC, accompanied by senior executive staff would be appearing as witnesses at the public hearing to be held on Friday 21 June 2013.\*\*\*

4. \*\*\*

5. \*\*\*

The committee adjourned at 1.37pm until 9.50am on 21 June 2013.

### Minutes of Proceedings of the Committee on the Independent Commission Against Corruption (no. 13)

9:50am, Friday, 21 June 2013 Macguarie Room, Parliament House

### **Members Present**

Mr Speakman, Mr Amery, Mr Blair, Mr Coure, Mr Gee, Mr George, Revd Nile, Ms Mihailuk, Mr Owen, Mr Rees, Ms Voltz

Staff in attendance: Rachel Simpson, Dora Oravecz, Jenny Whight, Elspeth Dyer

### 1. Apology

An apology was received from Mr Owen.

### 2. Deliberative meeting

### a) Confirmation of minutes

Resolved, on the motion of Mr Coure, seconded Mr Gee, that the minutes of the deliberative meeting of 30 May 2013 be confirmed.

b) \*\*\*

### c) Media orders

Resolved, on the motion of Mr Blair, seconded Mr Coure, that the Committee authorises the audio-visual recording, photography and broadcasting of the public hearing on 21 June 2013 in accordance with the NSW Legislative Assembly's

### COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION EXTRACTS FROM MINUTES

guidelines for coverage of proceedings for parliamentary committees administered by the Legislative Assembly.

### d) Publication orders

Resolved, on the motion of Mr Amery, seconded Mr Gee, that the corrected transcript of public evidence given today be authorised for publication and uploaded on the Committee's website.

### e) Answers to questions on notice

Resolved, on the motion of Mr Gee, seconded Mr Amery, that witnesses be requested to return answers to questions on taken on notice and supplementary questions within 2 weeks of the date on which the questions are forwarded to the witness.

### 3. Public hearing

The press and public were admitted.

The Chair opened the public hearing at 10.14am and after welcoming the witnesses made a brief opening statement.

Mr Harvey Cooper AM, Inspector, Office of the Inspector of the Independent Commission Against Corruption, sworn and examined.

Ms Seema Srivastava, Executive Officer, Office of the Inspector of the Independent Commission Against Corruption, affirmed and examined.

The Inspector made a brief opening statement. The Chair commenced questioning the witnesses, followed by other members of the Committee. Evidence concluded, the witnesses withdrew.

The Committee took an adjournment at 10.45am and resumed the public hearing at 10.56am.

The Hon David Ipp AO QC, Commissioner, Independent Commission Against Corruption, Ms Sharon Loder, Executive Director, Investigation Division, Independent Commission Against Corruption and Dr Robert Waldersee, Executive Director, Corruption Prevention Division, Independent Commission Against Corruption, affirmed and examined. Ms Theresa Hamilton, Deputy Commissioner, Independent Commission Against Corruption, Mr Roy Waldon, Solicitor to the Commission and Executive Director, Legal Division, Independent Commission Against Corruption, and Mr Andrew Koureas, Executive Director, Corporate Services Division, Independent Commission Against Corruption, sworn and examined.

The Commissioner made an opening statement. The Chair commenced questioning the witnesses, followed by other members of the Committee. Evidence concluded, the witnesses and the public withdrew.

The public hearing concluded at 12:25pm.

#### 4. \*\*\*

### REVIEW OF THE 2011-2012 ANNUAL REPORT OF THE INSPECTOR OF THE ICAC EXTRACTS FROM MINUTES

The Committee adjourned at 12:34pm until a date and time to be determined.

### Minutes of Proceedings of the Committee on the Independent Commission Against Corruption (no. 15)

1.33 pm, Wednesday 23 October 2013 Room 1153, Parliament House

#### **Members Present**

Mr Amery, Mr Blair, Mr Coure, Mr Gee, Ms Mihailuk, Revd Nile, Mr Perrottet, Mr Rees, Ms Voltz

Staff in attendance: Bjarne Nordin, Dora Oravecz, Jenny Whight.

#### 1. Apologies

Apologies were received from Mr George and Mr Owen.

### 2. Confirmation of Minutes

Resolved, on the motion of Mr Coure, seconded Mr Blair: That the minutes of the deliberative meetings of 21 June 2013 and 18 September 2013 be confirmed.

- 3. \*\*\*
- 4. Review of the Inspector of the Independent Commission Against Corruption's 2011-2012 Annual Report

### 4.1 Answer to question taken on notice

Resolved, on the motion of Revd Nile, seconded Mr Coure: That the Committee authorise publication of the answer to the question taken on notice received from the Inspector of the ICAC and that the answer be posted on the Committee's website.

### 4.2 Correspondence

The Committee noted the following item of correspondence received:

• 21 June 2013 from the Inspector of the Independent Commission Against Corruption, forwarding correspondence with the Premier regarding amendments to the Independent Commission Against Corruption Act.

### 4.3 Consideration of the Chair's draft report

The Chair spoke to the draft report, previously circulated.

Resolved, on the motion of Mr Blair, seconded Mr Coure: That the draft report be the report of the Committee, signed by the Chair and presented to the House.

Resolved, on the motion of Mr Rees: That the Chair and secretariat be permitted to correct stylistic, typographical and grammatical errors.

Resolved, on the motion of Mr Blair: That, once tabled, the report be posted on the Committee's website.

- 5. \*\*\*
- 6. \*\*\*

### 7. Next meeting

### COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION EXTRACTS FROM MINUTES

The Committee adjourned at 1.56 pm until a date and time to be determined.