Chapter 2

Examination of the Annual Report

2.1 The 2010–11 Annual Report (the Report) is the fifth Annual Report of the Integrity Commissioner and covers the fourth full year of operation.[1] The committee's examination of the Report focuses principally on:

- ACLEI's achievements against the performance reporting framework;
- The direction of ACLEI; and
- certain issues arising from ACLEI's reported performance in 2010–11.

The performance reporting framework

2.2 ACLEI's 2010–11 outcome and output structure remained unchanged from 2009–10. These are listed below in Table 1.

Table 1: the outcome/reporting framework

2010–11 Budget year
Outcome 1: Independent assurance to the Australian Government that Commonwealth law enforcement agencies and their staff act with integrity by detecting, investigating and preventing corruption.
Program 1.1: Detect, investigate and prevent corruption in prescribed law enforcement agencies; assist law enforcement agencies to maintain and improve the integrity of staff members

2.3 The program deliverables for Program 1.1 were as follows:

- corruption issues are promptly brought to the attention of the Integrity Commissioner for independent assessment and decision on how each issue should be dealt with (either by ACLEI, the agency to which the issue relates, or another agency);
- where appropriate, ACLEI independently investigates corruption issues, giving priority to serious or systemic corruption;
- ACLEI analyses and reports on patterns and trends in law enforcement corruption;

1 The *Annual report of the Integrity Commissioner 2006–2007* covered the first six months of ACLEI's operation from 30 December 2006 to 30 June 2007.

- ACLEI recommends changes to laws and to agency practices and procedures to improve integrity in law enforcement, and to detect and prevent corruption more effectively;
- ACLEI contributes to corruption prevention initiatives such as the assessment of corruption risk and raising awareness about corruption deterrence, thereby helping to build corruption-resistant work cultures; and
- staff members of law enforcement agencies are made aware that information about corruption can be referred with confidence to the Integrity Commissioner.

2.4 As such, the program deliverables remain unchanged from the previous year, with the exception of the deletion of the following deliverable: 'where appropriate, the Integrity Commissioner uses statutory coercive and intrusive information-gathering powers to assist in investigations.' The committee notes that this deliverable has reappeared in the 2011–12 portfolio budget statements.[2]

2.5 In addition to these program deliverables, the 2010–11 portfolio budget statement also outlined a series of key performance indicators (KPI). These indicators, together with the measures used to assess each KPI, are reproduced below, together with a summary of performance as reported by ACLEI.

KPI One: the corruption notification system is effective

2.6 Performance against KPI One is assessed with reference to the following measures:

- law enforcement agencies notify ACLEI of corruption issues in a timely way;
- other agencies provide information about corruption issues to ACLEI; and
- ACLEI is seen as viable for reporting information about corruption.

2.7 ACLEI reported that 26 notifications were received from the ACC and AFP in 2010–11, down from the 40 received in the previous year. However, 20 notifications were received from Customs and Border Protection, which came within ACLEI's jurisdiction from 1 January 2011. ACLEI reported that it had no concerns with the timeliness of these notifications and the Hamburger review found that the inter-agency relationships were positive.[3]

2.8 Ten referrals of corruption issues were received from other government agencies, exceeding the two received in the previous year.[4]

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2 ACLEI Budget Statements 2011–12, p. 76.

3 ACLEI Annual Report 2010–11, p. 19; Mr Peter Hamburger PSM, *2011 Review of ACLEI's capabilities, operating arrangements and resources,* p. 10.

4 ACLEI Annual Report 2010–11, p. 20.

2.9 Two whistleblowers provided information directly to ACLEI, less than in the two previous years, while the number of members of the public providing referrals continued to increase, to 29.[5]

KPI Two: ACLEI assesses all notifications and referrals of corruption issues in a timely way

2.10 KPI Two is measured by reference to the following:

- upon receipt, ACLEI assesses information about corruption to determine how each issue should be dealt with. Credible information about corruption is prioritised.

2.11 ACLEI reported that all notifications and referrals were subject to initial assessment upon receipt, in order to determine their priority. ACLEI met its benchmark of 75 per cent of assessments being completed within 90 days, achieving a result of 76 per cent. This figure was an improvement on previous years (60 per cent in 2009–10 and 26 per cent in 2008–09).

KPI Three: ACLEI's investigations are conducted professionally and efficiently, and add value to the integrity system

2.12 Measures for KPI Three include:

- investigations adhere to the Integrity Commissioner's Investigation Guidelines;
- ACLEI investigations are properly managed;
- investigation reports provided to the Minister are of high quality; and
- advice is provided to the Minister in a timely way.

2.13 While the Report did not explicitly state that the Integrity Commissioner's Investigation Guidelines had been adhered to, the Report did note that:

- the executive director reviews the management of investigations at key milestones;
- specialised training and aide-memoires were introduced on compliance with guidelines; and
- quarterly audits of exhibits were conducted.

2.14 The report sets out a range of governance and review arrangements that indicate that ACLEI investigations have been well managed.[6] ACLEI reported on a variety of measures undertaken in 2010–11 aimed at improving the governance of

5 ACLEI Annual Report 2010–11, p. 20.

6 ACLEI Annual Report 2010–11, pp 22–23.

ACLEI's investigative procedures, including compliance training for staff relating to the use of law enforcement and LEIC Act powers.[7]

2.15 ACLEI also expanded the remit of its operations committee to include advising the Integrity Commissioner on the possible discontinuation of investigations. ACLEI reported that discontinuation of investigations may be warranted where, for example, there may be more value in disseminating available information for its disruption or deterrence value, instead of continuing to investigate. Seventeen investigations were reconsidered and discontinued in this manner in 2010–11, compared with one in the previous year.[8]

2.16 Three investigation reports were provided to the Minister in 2010–11. ACLEI's Annual Report indicates that the Integrity Commissioner kept the Minister informed and that all requests from the Minister for information were satisfied in a timely way.[9]

KPI Four: ACLEI monitors the quality of corruption investigations conducted by law enforcement agencies

2.17 Measures for KPI Four include:

- all agency corruption investigation reports provided to ACLEI are assessed for quality and completeness; and
- ACLEI liaises regularly with the agencies' professional standards units.

2.18 ACLEI received 18 reports for review during 2010–11, from a total of 72 external agency investigations. The Integrity Commissioner did not consider that any comments or recommendations were necessary and accepted the reports' conclusions.[10]

2.19 As a result of regular (fortnightly) liaison with professional standards units of the agencies concerned, five external agency investigations were discontinued (four AFP and one Customs and Border protection) as no evidence of corrupt conduct was apparent.[11]

KPI Five: ACLEI contributes to policy development and law reform in accountability and corruption prevention relating to law enforcement

2.20 Measures for KPI Five include:

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7 ACLEI Annual Report 2010–11, p. 22.

8 ACLEI Annual Report 2010–11, p. 23.

9 ACLEI Annual Report 2010–11, p. 24.

10 ACLEI Annual Report 2010–11, p. 25.

11 ACLEI Annual Report 2010–11, p. 26.

- each investigation addresses corruption risk and, where warranted, makes recommendations for systemic improvement in corruption prevention or detection measures; and
- submissions that relate to corruption prevention or enhancing integrity may be made to government or in other relevant forums.

2.21 ACLEI reported that corruption prevention topics covered during the year included security arrangements for diplomatic bags, drug and property handling practices, responses to operational security breaches, and improving integrity reporting compliance relating to personal interests and declarable associations.[12]

2.22 ACLEI also initiated a Community of Practice for Corruption Prevention, which involved officers from the three agencies within ACLEI's jurisdiction. The forum is intended to develop and share best practice deterrence arrangements and facilitate corruption prevention research, with possible applicability to the broader public service.[13]

2.23 ACLEI also engaged with Parliamentary inquiries, including this committee's inquiry into the operation of the *Law Enforcement Integrity Commissioner Act 2006*.

KPI Six: Staff members of law enforcement agencies are made aware of ACLEI's role

2.24 Measures for KPI Six include:

- marketing and other awareness-raising activities are in place, including joint initiatives with other agencies; and
- targeted presentations about integrity are made to diverse audiences.

2.25 Twenty-six awareness-raising presentations were provided to staff members of law enforcement agencies in 2010–11, including to higher risk AFP groups and Customs and Border Protection staff around Australia. As part of the introduction of Customs and Border Protection to ACLEI's jurisdiction, a webcast promotional video was produced to raise awareness of corruption risk within that agency.[14]

KPI Seven: ACLEI handles personal information appropriately

2.26 KPI Seven is measured by reference to the following:

- regular privacy audits are undertaken to ensure compliance with legal obligations and better practice policy for information-handling.

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12 ACLEI Annual Report 2010–11, p. 27.

13 ACLEI Annual Report 2010–11, p. 27.

14 ACLEI Annual Report 2010–11, p. 29.

2.27 In 2010–11, ACLEI's internal auditors, Deloitte Touche Tohmatsu Ltd, finalised an audit of ACLEI's information handling procedures, reporting no irregularities or issues of concern.[15]

Direction of ACLEI

2.28 ACLEI continued to develop its 'two-level' approach to corruption, whereby corruption investigations and organised crime investigations benefit from each other. The Integrity Commissioner, Mr Philip Moss described the approach as follows:

> The first is ACLEI as an accountability agency—that is one level—that is, a accountability agency which is notified and receives referrals of information that raise a corruption issue and the Integrity Commissioner decides on how to deal with that. There are, as you know, a range of options available to the Integrity Commissioner in deciding on how to deal with a corruption issue. In doing that kind of work, our principal contact in the agencies—that is to say, the ACC, the AFP and Customs and Border Protection—is with their professional standards units. But there is another level at which ACLEI is now working, and this is the second level. It arises from the term we use of a 'corruption handshake'. A 'corruption handshake', as I said just a few minutes ago, is where an official within those agencies may be assisting and facilitating corrupt conduct by criminal groups or organised crime. At this level, ACLEI and law enforcement agencies share information about organised crime activities and work together to counter threats that may arise, such as infiltration and compromise. It also enables ACLEI to align its investigations of corruption issues with the broader efforts of law enforcement agencies to counter serious and organised crime.[16]

2.29 The Integrity Commissioner highlighted a number of developments during 2010–11 in the first chapter of the Report, including the establishment of a Community of Practice for Corruption Prevention. In addition, the Integrity Commissioner described a number of developments since the publication of the Report, including:

- tabling of this committee's report into integrity testing, which contained a number of recommendations including the introduction of targeted testing as an investigation tool for ACLEI;
- passage of legislation amending the LEIC Act to include Customs and Border Protection within ACLEI's jurisdiction;
- introduction into Parliament of the *Crimes Legislation Amendment (Powers and Offences) Bill 2011* which would strengthen the Integrity Commissioner's information gathering powers relating to hearings and the production of documents; and

15 ACLEI Annual Report 2010–11, p. 30.

16 Mr Philip Moss, ACLEI, *Committee Hansard*, 25 November 2011, p. 2.

- the first meeting of the Australian Anti-Corruption Commissions Forum, comprising integrity agencies from around Australia:

> The Australian Anti-Corruption Commissions Forum will be a means to ensure that the experience gained in each jurisdiction can be applied to inform a national approach to identifying changes in corruption risk and in continuing to build resistance to corruption. I expect that it will play a continuing role in updating the national anti-corruption plan, the first version of which is presently being developed by the Attorney-General's Department.[17]

2.30 Following questions from the committee on the building block approach and whether ACLEI should have a business plan, the Integrity Commissioner noted that the direction of the agency continued to be influenced by ongoing learning and experience, stating:

> In terms of whether there is a business plan to get ACLEI to a particular point, there is not. We are simply learning from our experience, and as we go along and as our capability increases we are finding out more and more.
>
> We have, of course, business plans in other senses for internal purposes, but in terms of broader direction we are thinking about where ACLEI might go.[18]

2.31 The committee appreciates the need for ACLEI to evolve in line with experience and, will continue to monitor the agency's development.

2.32 ACLEI continued to grow and evolve in 2010–11, as it has since its establishment. ACLEI has doubled the number of staff it employs over the last two years, ending 2010–11 with 24 ongoing staff, supplemented by a small number of casual and seconded staff.[19]

2.33 In support of its growing workload, ACLEI received additional funding of $1.6 million over four years, commencing in July 2010. An additional amount of $2.7 million over four years was transferred to ACLEI to provide resources for the inclusion of Customs and Border Protection in ACLEI's jurisdiction. As a result, ACLEI grew in size by 40 per cent during 2010–11. [20]

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17 Mr Philip Moss, ACLEI, *Committee Hansard*, 25 November 2011, p. 2.

18 Mr Philip Moss, ACLEI, *Committee Hansard*, 25 November 2011, p. 7.

19 ACLEI Annual Report 2010–11, p. 2.

20 ACLEI Annual Report 2010–11, p. 2.

Issues

Addition of Customs and Border Protection

2.34 Perhaps the most significant development in 2010–11 was the inclusion of Customs and Border Protection within ACLEI's jurisdiction. The committee recommended that this occur in its interim report for the inquiry into the operation of the *Law Enforcement Integrity Commissioner Act 2006*, tabled in February 2010. The government agreed to the recommendation, and added Customs and Border Protection to ACLEI's jurisdiction by regulation from 1 January 2011. Subsequently, the LEIC Act was amended to define Customs and Border Protection as an agency subject to ACLEI's jurisdiction.[21]

2.35 The committee considers the inclusion of Customs and Border Protection within the Commonwealth's strongest integrity regime to be highly desirable given the sensitivity of its operations and role within the law enforcement community.

2.36 As at the end of 2010–11, ACLEI had received notifications or referrals of 23 corruption issues relating to Customs and Border Protection. Six issues became the subject of joint investigation by ACLEI and Customs and Border Protection, and nine were referred back to Customs and Border Protection for investigation. The remainder were concluded at the assessment phase or remain under assessment.

2.37 The Integrity Commissioner informed the committee that Customs and Border Protection had been a major focus for ACLEI in 2010–11, stating:

> The devotion of resources at the moment is clearly towards corruption issues that have been notified or referred to ACLEI in relation to the Customs and Border Protection Service. There are some major operations underway to investigate some of those corruption issues. Not only is it involving considerable dedication of ACLEI staff and resourcing but also that resourcing is being supplemented by the agencies themselves, not only Customs and Border Protection but also on a broader basis, where the AFP is also providing ACLEI assistance with those matters that we are now investigating.[22]

2.38 As noted previously, ACLEI received funding for an additional five staff in order to manage the extra work flowing from the expanded jurisdiction. The Integrity Commissioner was of the view that more time was needed to accurately assess the full impact of this expansion, advising:

> There was always a question of deciding at some point what the level of resourcing needed to deal with the additional work that Customs might bring really was. Not knowing and not being able to anticipate in any clear way, we made the starting point five, but it was an understanding that was

21 *Law Enforcement Integrity Commissioner Act 2006*, para. 5(1)(ba).

22 Mr Philip Moss, ACLEI, *Committee Hansard*, 25 November 2011, p. 2.

> part of that conclusion that there would be a review at some time yet to be determined. But certainly it is on the record that at some future time there will be a review of the workload that Customs has brought to ACLEI and what resourcing ACLEI might need to meet that workload. At this stage I would say we are still in the first stages of understanding what that additional workload is, so I think it would be at this stage premature to run that review. At this point, I am thinking that perhaps towards the end of this financial year might be a time to have that review commenced.[23]

2.39 The committee is satisfied that ACLEI is taking appropriate steps to introduce Customs and Border Protection to ACLEI's integrity regime and processes, and the committee will continue to observe developments in this area.

Workload

2.40 The number of corruption issues being raised with ACLEI through notifications by agency heads or referrals from other agencies or individuals has increased consistently in each year since ACLEI's establishment. This year, ACLEI received 90 new notifications or referrals of corruption issues, compared to 80 in the previous year. Of these, 23 related to Customs and Border Protection, while 67 related to the AFP and ACC, indicating that the previous consistent growth has abated.[24]

2.41 In previous years, the committee has expressed concern about the growing number of issues being carried over each year, and ACLEI's ability to successfully manage the volume of work with existing resources. In 2010–11, 80 issues were carried forward to 2011–12, a similar level to the 90 carried forward in the previous year. While this may indicate that ACLEI has been able to halt the growth, some of the reduction may be attributed to the increase in the number of ACLEI or external agency investigations being discontinued from one to 17.[25]

2.42 ACLEI reported several initiatives that, together with the overall increase in budget and staffing, contributed to this result. In July 2010, the Integrity Commissioner established a position to manage ACLEI's assessment and review function. As noted in the Report:

> This measure led to improved management of external investigations, ensuring that this body of work is completed in a timely way, and according to the priority assigned to each issue. ACLEI notes that the AFP matched this resource with its own effort to consult routinely with ACLEI, and finalise investigation reports.[26]

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23 Mr Philip Moss, ACLEI, *Committee Hansard*, 25 November 2011, p. 3.

24 ACLEI Annual Report 2010–11, p. 55.

25 ACLEI Annual Report 2010–11, p. 58.

26 ACLEI Annual Report 2010–11, p. 61.

2.43 A change in the remit of ACLEI's Operations Committee, to advise on the possible discontinuation of investigations, also resulted in 12 ACLEI investigations being discontinued in 2010–11. ACLEI reported that this assisted it to remain focused on serious and systemic corruption issues.[27]

2.44 Improved efficiency in the decision making process concerning assessments also led to a swifter resolution of the assessment phase, with 76 per cent of assessments being completed within 90 days compared to 60 per cent in the previous year. As the Integrity Commissioner observed, the increase in staff numbers had allowed greater efficiency within the organisation, stating:

> In the early days there were but nine staff, including me. In that sense, all matters came to me. As our numbers have increased and the workload has increased significantly, there are now arrangements whereby matters of a certain type are dealt with at a lower level in the agency and not all matters come to me. That is one of the efficiencies.
>
> We also now have a better idea of what we are doing in making assessments. It is simply facility and being more accustomed to the topics we are dealing with. I would put it down to increased agency capability and some rearrangements we have made internally whereby not everything now needs to come to the Integrity Commissioner.[28]

2.45 The Integrity Commissioner further noted that the conclusion of longstanding issues had been a priority for the agency, stating:

> We had a real focus on matters that we were carrying over of that type about 12 months ago and put a clear effort, as an agency, into resolving the longer-standing matters, and we brought that category of issue down to a much smaller number.[29]

2.46 The committee remains concerned about and will continue to monitor the significant number of ongoing investigations that are now several years old:

- one from 2006–07;
- 14 from 2007–08; and
- 20 from 2008–09.[30]

2.47 The committee sought information on the level of case load that ACLEI investigators have and ACLEI indicated that the level was comparable to some state and territory law enforcement integrity bodies.[31]

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27 ACLEI Annual Report 2010–11, pp 23 & 59.

28 Mr Philip Moss, ACLEI, *Committee Hansard*, 25 November 2011, p. 9.

29 Mr Philip Moss, ACLEI, *Committee Hansard*, 25 November 2011, p. 4.

30 ACLEI Annual Report 2010–11, p. 55.

31 ACLEI, answer to question on notice, 25 Nov 2011 (received 13 Dec 2011), p. 1.

2.48 ACLEI delivered three investigation reports to the Minister during the reporting period.[32] This rate of delivery of investigation reports is similar to previous years: three in 2009-10, one in 2008-09, and two in 2007-08.[33]

2.49 The committee is satisfied that the number of issues being carried forward has not grown this year. The committee looks forward to a greater number of completed investigation reports and a reduction in the number of long-standing issues being carried forward in subsequent years, as a result of ACLEI's increased staffing. The committee will continue to monitor these issues in the future.

Issues carried forward by other agencies

2.50 In its examination of the 2009–10 annual report, the committee noted that the rate at which external agencies conclude inquiries appears to significantly contribute to the large number of unresolved issues at the end of each financial year, with only 12.5 per cent (six out of 48 issues) being concluded in 2009–10.[34]

2.51 While 27 per cent (18 out of 67 issues) of investigations by external agencies were completed in 2010–11,[35] the proportion of the external agency investigations within the total number of issues carried forward increased:

- in 2009–10, 47 per cent (42 out of 90) of issues carried forward were issues being investigated by external agencies; [36] and
- in 2010–11, 61 per cent (49 out of 80) of issues carried forward were issues being investigated by external agencies. [37]

2.52 While some of the increase can be attributed to the addition of Customs and Border Protection, the committee remains concerned about this issue. For example, the AFP, while concluding 16 investigations in 2010–11 (compared to 4 in the previous year), carried over 40 incomplete investigations into 2011–12, representing a substantial proportion of the total number of issues carried forward in ACLEI's statistics. The committee intends to examine this issue further in 2012 and will seek to gain a better understanding of the investigation process undertaken by agency professional standards units.

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32 ACLEI Annual Report 2010–11, p. 58.

33 ACLEI Annual Report 2010–11, p. 58; ACLEI Annual Report 2009–10, p. 58; ACLEI Annual Report 2007–08, p. 49.

34 Examination of the Annual Report of the Integrity Commissioner 2009–10, p. 11.

35 ACLEI Annual Report 2010–11, p. 62.

36 ACLEI Annual Report 2009–10, p. 63.

37 ACLEI Annual Report 2010–11, p. 64.

Access to investigation resources

2.53 In 2010–11, the Attorney-General's Department engaged Mr Peter Hamburger PSM to review ACLEI's capabilities, operating arrangements and resources. Though the report, completed in February 2011, was not released publicly, the then Minister for Home Affairs agreed to the committee's request to receive a copy of the report.

2.54 Mr Hamburger made three recommendations directed at:

- establishing reporting arrangements on the timeliness of ACLEI's assessment process and its coordination with law enforcement agencies in the management of staff and risks during ACLEI investigations;
- developing a Memorandum of Understanding between ACLEI and the three law enforcement agencies within its jurisdiction under which ACLEI would be assured of an acceptable amount of physical surveillance capacity each year from the relevant capabilities maintained by the law enforcement agencies; and
- securing an agreement by which the law enforcement agencies would each transfer a small amount of funds to ACLEI to strengthen its capabilities in areas other than investigation, especially in relation to prevention activities.[38]

2.55 The committee supports these three recommendations and will monitor their implementation.

2.56 In the committee's view, the most serious finding of the review was that ACLEI required greater access to high-end investigative capabilities, especially physical and technical surveillance, for which it had statutory authority but insufficient capability.[39]

2.57 The committee is therefore please to note the announcement on 13 December 2011, by the then Minister for Home Affairs and Justice, the Hon Brendan O'Connor, that the government will provide further funding to strengthen detection and investigative capability within ACLEI. The government described this 'Surveillance Project' as enabling ACLEI and its partners to use various covert investigation methods in a broader range of operations, and evaluate their effectiveness in an anti-corruption setting.[40] The committee looks forward to further detail in upcoming budget papers and annual reports.

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38 Mr Peter Hamburger PSM, *2011 Review of ACLEI's capabilities, operating arrangements and resources,* p. 4.

39 Mr Peter Hamburger PSM, *2011 Review of ACLEI's capabilities, operating arrangements and resources,* p. 3.

40 Media release, *Proceeds of crime to be used to investigate corruption,* The Hon Brendan O'Connor MP, Minister for Home Affairs and Justice, 13 December 2011.

Out of Jurisdiction reports

2.58 The committee notes ACLEI's decision to discontinue reporting statistics on out of jurisdiction information that does not relate to the ACC, Customs and Border Protection, the AFP or the former NCA. The committee considers that while such out of jurisdiction information may not need to be reported in detail along with other statistics, it would however, be very useful for ACLEI to report the total number of out of jurisdiction issues, the split between Commonwealth and other bodies and the extent to which assessing those matters consumed ACLEI resources.

Declarations of Interests

2.59 The committee examined how declarations of interests by staff are made and managed within ACLEI. Section 184 of the LEIC Act specifies that the Integrity Commissioner must give written notice to the Minister of all the Integrity Commissioner's interests that could conflict with the proper performance of the Integrity Commissioner's functions.[41] The Integrity Commissioner clarified:

> That is a standing notification that is adjusted as developments occur. There is no requirement in the legislation to provide it on an annual basis. It is simply given at one point and then updated as necessary ... My time frame would be within weeks.[42]

2.60 The committee was informed that the Integrity Commissioner receives and retains reports from senior executives in ACLEI. The expectation is that the Integrity Commissioner would be advised of any changes and may require an explanation of or take independent action himself to investigate or clarify any matters of concern, satisfying himself that he would be in a position to answer clearly if the committee asked about changes to interests of a staff member.[43]

2.61 In answer to a question on notice, ACLEI set out the nature of the integrity policy and management framework applying to ACLEI staff (see Appendix 7) and provided a copy of its conflict of interest declaration policy (see Appendix 8). ACLEI also indicated that risk strategy and culture play a key role in addition to the documentary requirements:

> All our staff are subject to the Protective Security Policy Framework to hold their security clearances. A part of our risk strategy would be that that process would pick up those ... significant financial changes. Any other change in lifestyle has to be reported as well as a part of that process to our agency security advisor. That is part of maintaining that security clearance, so it is picked up in the Protective Security Policy Framework. I think it is also about active leadership in an organisation. It is about our directors knowing their people in their areas and assessing against those known

41 *Law Enforcement Integrity Commissioner Act 2006*, s. 184.

42 Mr Philip Moss, ACLEI, *Committee Hansard*, 25 November 2011, p. 5.

43 Mr Philip Moss, ACLEI, *Committee Hansard*, 25 November 2011, p. 5.

> indicators of changes and, by way of leadership and management, engaging with their staff, which is the expected practice within our organisation.[44]

2.62 The committee is satisfied with ACLEI's approach to the implementation of the declaration of interests and will continue to monitor this key issue for integrity.

Conclusion

2.63 The committee congratulates ACLEI on another successful year of operation, and notes that significant challenges remain. These include the ongoing integration of Customs and Border Protection within ACLEI's body of work, improving the timeliness of assessments and investigations in the face of limited resources, and further development of corruption prevention and education programs.

2.64 The committee appreciates the engagement of ACLEI with recent and current inquiries, including the review of the LEIC Act, an evaluation of the possible merits of integrity testing and the recently commenced inquiry into the integrity of overseas law enforcement operations.

Ms Melissa Parke MP
Chair

44 Mr Stephen Hayward, ACLEI, *Committee Hansard*, 25 November 2011, p. 6.