Appendix 4

Issues the committee noted for follow up or ongoing monitoring

New issues arising from this report

2010-11	**Building block approach:** Whether the building block approach continues to be appropriate, or whether ACLEI has a business plan.[1]
2010-11	**The Hamburger review recommendations**, including the detail in the budget papers and implementation of the "surveillance project" announced by the Minister to provide further funding to strengthen detection and investigative capability within ACLEI.[2]
2010-11	**Declaration of interests by ACLEI staff.**[3]
2010-11	**The number of investigations that have been carried over since 2006-07 and 2007-08.**[4]
2010-11	**Reporting of out of jurisdiction information.**[5]

Issues arising from previous reports

Year raised	Issue	Status in 2010-11 report
2009-10	**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% or 6 out of 48 being concluded in 2009-10.[6]	While more investigations were completed by external agencies the proportion attributable to external agencies of the issues carried over increased from 47% to 61%.[7]

1 See Direction of ACLEI in chapter 2.

2 See Access to investigation resources in chapter 2.

3 See Declaration of interests in chapter 2.

4 See Workload in chapter 2.

5 See Out of jurisdiction information in chapter 2.

6 Examination of the Annual Report of the Integrity Commissioner 2009–10, pp 11–12.

7 See Issues carried forward by other agencies in chapter 2.

2009-10	**The effectiveness of the two-level approach** which involves information sharing about investigations into serious and organised crime with agencies under ACLEI's jurisdiction.	In 2010–11, ACLEI engaged closely with law enforcement agencies that collect information about, and investigate, threats from organised crime. This interaction has informed ACLEI's operational and assessment decisions, and helped to direct ACLEI investigations to best guard against serious and systemic corruption. ACLEI has reciprocated by contributing intelligence about corruption methods to inform relevant law enforcement operations.[8]
2008-09	**The balance between transparency and investigation integrity:** The risk that disclosure of information can present for investigations was raised.[9] The potentially conflicting ideals of transparency arising from new FOI requirements and investigation integrity were raised in the examination of the 2009-10 annual report.[10]	In March 2010, in response to the House of Representatives Standing Committee on Legal and Constitutional Affairs report *Whistleblower protection: a comprehensive scheme for the Commonwealth public sector*, the government committed to introducing a comprehensive scheme for handling public interest disclosures, and for legislation to be developed accordingly. During 2010–11, ACLEI contributed to consultations about the potential shape of a public interest disclosure regime and the development of draft legislation.[11]

8 ACLEI Annual Report 2010–11, p. 4.

9 Examination of the Annual Report of the Integrity Commissioner 2008–09, p. 10.

10 Examination of the Annual Report of the Integrity Commissioner 2009–10, p. 14.

11 ACLEI Annual Report 2010–11, p. 2.

2008-09	**Efficient intelligence sharing**: In particular, concern regarding the requirement that ACLEI pay a fee for intelligence held by other Commonwealth agencies.[12]	In 2010–11, ACLEI engaged closely with law enforcement agencies that collect information about, and investigate, threats from organised crime. This interaction has informed ACLEI's operational and assessment decisions, and helped to direct my investigations to best guard against serious and systemic corruption. ACLEI has reciprocated by contributing intelligence about corruption methods to inform relevant law enforcement operations.[13]
2007-08	**The balance between ACLEI and agency investigations:** The committee noted ACLEI's intention to refer some issues back to law enforcement agencies and emphasised finding the right balance between ACLEI investigating matters versus referring matters back to law enforcement agencies.[14]	Since 2007-08, the proportion of investigations conducted by other agencies has been about two-thirds of the total numbers of investigations, e.g. 2007-08 – 60%[15], 2008-09 – 63%[16], 2009-10 – 68%[17], 2010-11 – 67%[18]. There were no corruption issues referred to government agencies for investigation in 2010-11.[19]
2007-08	**ACLEI's high-level security measures.**[20]	During the year, ACLEI's auditors, Deloitte Touche Tohmatsu Limited, finalised an internal audit of ACLEI's information-handling practices. No irregularities were observed.

12 Examination of the Annual Report of the Integrity Commissioner 2008–09, p. 10.

13 ACLEI Annual Report 2010–11, p. 4.

14 Examination of the Annual Report of the Integrity Commissioner 2007–08, pp 6–7.

15 18/28 – ACLEI Annual Report 2007–08, p. 42.

16 22/35 – ACLEI Annual Report 2008–09, pp 48–51.

17 47/59 – ACLEI Annual Report 2009–10, p. 56.

18 72/105 – ACLEI Annual Report 2010–11, pp 59 & 62.

19 ACLEI Annual Report 2010–11, p. 154.

20 Examination of the Annual Report of the Integrity Commissioner 2007–08, p. 16.

		ACLEI's minimum security classification for staff was reviewed and adjusted.[21]
2007-08	**Prevention and education role:** The committee noted its concern that ACLEI's did not appear to be sufficiently developing its prevention and education role and may not have sufficient resources to do so.[22] The same concern was reiterated in the examination of the 2009-10 annual report.[23]	The 2011 Hamburger review also noted that ACLEI did not have capacity to deliver prevention and detection work and recommended 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.[24]
2006-07	**The balance between ACLEI's resourcing and its workload**.[25] The committee sought access to original costing for ACLEI establishment and recommended funding review in the examination of the 2007-08 annual report.[26] The committee noted additional resources, but remained concerned in its examination of the 2008-09 annual report and reiterated its recommendation for a funding increase.[27] The committee examined trends in the ACLEI workload in its examination of	The committee is pleased that growth the number of issues being carried forward has stopped, and will continue to monitor this important metric in the future.[31] The committee is satisfied that ACLEI is taking appropriate steps to introduce Customs and Border Protection to ACLEI's integrity regime and processes, and will continue to observe developments in this area.[32] The committee will monitor the number of investigation reports

21 ACLEI Annual Report 2010–11, pp 30 & 59.

22 Examination of the Annual Report of the Integrity Commissioner 2007–08, p. 13.

23 Examination of the Annual Report of the Integrity Commissioner 2009–10, p. 13 & 15.

24 Mr Peter Hamburger PSM, *2011 Review of ACLEI's capabilities, operating arrangements and resources*, pp 3 & 5.

25 Examination of the Annual Report of the Integrity Commissioner 2006–07, p. 28.

26 Examination of the Annual Report of the Integrity Commissioner 2007–08, pp 20–21.

27 Examination of the Annual Report of the Integrity Commissioner 2008–09, pp 8–9.

	the 2009-10 annual report and observed that the rate of referral and issues being carried over continued to increase. The committee also noted the increased resources.[28] The impact on ACLEI's workload of the addition of Customs to ACLEI's jurisdiction was also noted.[29] The committee's recommendation for a review of ACLEI's funding level in its inquiry into law enforcement integrity models was also noted in the examination of the 2009-10 annual report.[30]	delivered, given that ACLEI's resources have grown and continue to grow.
2006-07	**Trends in Corruption:** Issues and matters notified were raised in 2006-07[33], and were consistent with those in 2007-08 though the potential impact of the global financial crises was noted.[34]	Chapter 7 of the report notes risks arising from the strength of the Australian dollar, steroid and illicit party drug use leading to interaction with organised crime groups, informal information-sharing cultures, conflicts of obligation, and displacement of corruption. Importantly, the report notes that evidence was apparent during investigations conducted by ACLEI in 2010-11 of corruption risks arising from improper handling of "human sources".[35]

31 See workload in chapter 2.

32 See addition of customs and border protection in chapter 2.

28 Examination of the Annual Report of the Integrity Commissioner 2009–10, pp 9–13.

29 Examination of the Annual Report of the Integrity Commissioner 2009–10, p. 13.

30 Examination of the Annual Report of the Integrity Commissioner 2009–10, p. 14.

33 Examination of the Annual Report of the Integrity Commissioner 2006–07, p. 28.

34 Examination of the Annual Report of the Integrity Commissioner 2007–08, p. 12.

35 ACLEI Annual Report 2010–11, p. 73.

2006-07	**Internal Governance arrangements:** The committee sought a status report on development on the implementation of workplace and corporate initiatives and internal governance mechanisms[36], including the internal audit committee, ethical standards and operational security, policies and procedures, and performance review.[37]	Covered in examination of the 2007-08 Annual report.[38]

36 Examination of the Annual Report of the Integrity Commissioner 2006–07, p. 28.

37 Examination of the Annual Report of the Integrity Commissioner 2006–07, pp 18–19.

38 Examination of the Annual Report of the Integrity Commissioner 2007–08, pp 16–19.