

Tuesday 13 July 2010

Investigation into the submission of false claims of Sitting Day Relief payments by a NSW MP and members of her electorate staff**ICAC FINDINGS**

- The ICAC has made findings of corrupt conduct against Karyn Paluzzano, Timothy Horan, Jennifer Launt and Kerrie Donlan.
- Mrs Paluzzano acted corruptly in: agreeing with Mr Horan to engage in conduct that involved deceiving Parliament into believing (falsely) that an officer had worked at Parliament House on sitting days, when they had not, to obtain sitting day relief (SDR) payments for Ms Launt to which she was not entitled; and her conduct in making false declarations on SDR forms to obtain SDR payments for Ms Launt and three other staff to which they were not entitled.
- Mr Horan acted corruptly in agreeing with Mrs Paluzzano to engage in conduct that involved deceiving Parliament into believing (falsely) that an officer had worked at Parliament House on sitting days when they had not to obtain SDR payments for Ms Launt to which she was not entitled.
- Ms Donlan acted corruptly in knowingly preparing false SDR claims for the signature of Mrs Paluzzano and Ms Launt and knowingly submitting false SDR forms to the Parliament for payment.
- Ms Launt acted corruptly in making false declarations on SDR forms that she had worked at the electorate office on specific days when she had not.

ICAC RECOMMENDATIONS

- The Commission is of the opinion that consideration should be given to obtaining the advice of the Director of Public Prosecutions with respect to the prosecution of Mrs Paluzzano for various criminal offences including the common law offence of misconduct in public office, obtaining a valuable thing for herself contrary to section 178BA of the *Crimes Act 1900* (NSW), obtaining money for Ms Launt, contrary to s.178BA of the Crimes Act and offences under s.87 of the ICAC Act of giving false or misleading evidence to the ICAC. The last of these is in relation to Mrs Paluzzano's evidence before the Commission on 16 April 2010 that: she was not knowingly party to any improper conduct in relation to claiming monies either for her office or for any employee; and to her knowledge it was the practice of her office to have someone accompany her each day she went to Parliament from 30 August 2006.
- In recognition of Mr Horan's assistance in bringing this matter to the Commission's attention and during the investigation, the ICAC is not of the opinion that consideration should be given to obtaining the advice of the DPP with respect to prosecuting him for any specified criminal offence. The Commission is of the opinion that consideration should be given to taking action against Mr Horan, Ms Launt and Ms Donlan as public officials with a view to dismissing, dispensing with, or otherwise terminating their services on the grounds that they engaged in misconduct.

CORRUPTION PREVENTION

The Commission has made two corruption prevention recommendations to the Clerk of the Legislative Assembly, including that the clerk:

- Consider whether and if so, to what extent, door knocking engaged in by electorate officers may constitute or involve "electioneering" or "political campaigning"; review the range of duties currently performed by electorate officers to determine whether they perform other activities that may involve these actions; and prepare written guidelines for Members and electorate officers that clearly define whether these two activities are permissible activities for electorate offices to engage in.
- Consider whether Parliament's audit program of Members' entitlements has the capacity to detect corrupt conduct and, if not, to develop, implement and regularly evaluate a corruption prevention strategy that addresses these issues.

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