

Plan for Implementation of Recommendations

Investigation into the Corrupt Conduct of a Willoughby City Council Officer

Recommendation 1.

That Willoughby City Council improves the supervision and monitoring of its staff in the Environmental Services Division with powers and/or responsibilities under the *Environmental Planning and Assessment Act 1979* in order to help reduce opportunities for corrupt behaviour to occur. Specific measures to achieve this should include the need to:

- a. review the current organisational structure to ensure managers are able effectively to supervise the work of staff reporting to them and are involved in the reviewing and auditing of work completed by staff
- b. assess and implement strategies to manage corruption risks associated with specialisation amongst regulatory staff, such as:
 - i. introducing staff rotation duties and limiting the role of specialist staff to providing advice on specialist issues to building surveyors, planners and other staff
 - ii. establishing a periodic auditing by directors and internal auditors of determinations of development applications and construction certificates
 - iii. introducing or improving existing systems to track the out-of-office movements of Council staff during work hours
- c. establish systems to reduce end-to-end control of regulatory approvals by a single Council officer, such as Council officers assessing an application under delegated authority and determining and approving the same application. This may include changing Fast Track Approval System procedures to require the assessing officer to complete a report and a different officer to make the determination.

Summary of response

The recommendation will be:

- Implemented as described in the report
- Implemented in an alternative way
- Partially implemented
- Not implemented

Action proposed

- (a) Managers and Team Leaders now take on a more supervisory role checking reports and auditing activities of staff. This has been done by introducing procedures and documentation such as weekly time sheets, auditing of the approval process and peer reviewing. The Manager will also co sign report sheets and do random audits.
- (b)
 - (i) Staff rotation of all Building Surveyor areas will now occur every 2 years, a procedural document is now in place. A procedural document has also been prepared in respect to specialist advice. The purpose of this procedure is to ensure that any changes to the Specialist advice received (eg. Engineering, Open Space, Traffic) is done with the Specialists knowledge and with the concurrence of the assessment Officer's Manager.
 - (ii) A procedure for periodic auditing by Directors and Internal Auditors of determinations of development applications and construction certificates has been developed and audit criteria have been finalised. An audit will be undertaken prior to the end of the year using the new tool.
 - (iii) Timesheets have been put in place and require the officer to document his movements on a daily basis. The time sheets are checked weekly by Team Leaders and audited every 3 weeks by the Manager. Council's computerised security system that logs access through Council office doors may be used as a final check against the details provided on individual time sheets.
- (c) A procedure to remove end to end control of regulatory approvals has been prepared and is currently operational. The purpose is to reduce instances of approvals under delegated authority by a single officer.

Supporting material

Refer to points (b) (i), (ii), (iii) and (c) below.

- (a)
 - (i) A Procedural document is available from Council concerning the Rotation of Building Surveyors. A Procedural document for the Chatswood CBD Place Manager role is also available from Council. A procedure for Acceptance of Specialist Advice is also available and provides guidelines that staff must follow when considering referrals from specialist areas during the assessment and determination of either Development Applications (DAs) or Construction Certificate (CCs).
 - (ii) An Internal audit document has been prepared in relation to DAs, CCs and Occupation Certificates and is available from Council upon request.
 - (iii) Weekly time sheets have been introduced which require the officers to document their daily movements. The time sheets are checked weekly by the Team Leaders and audited every 3 weeks by the Manager.

(b) DA / Fast Track /CC Flowchart – This document sets out the procedure for assessment and determination of DAs, Fast Track DAs and CCs. The objective of the procedure is to provide a process where the DA and CC are determined by different officers. The procedure requires the assessment of the DA, Fast Track DA or s96 to be assessed by the Area Surveyor and the determination is to be made by the Team Leader, Manager or the Council, depending on delegated authority. The process allows for periodic audit by the Director or Internal Auditor before the CC stage. The CC stage provides for determination by an accredited building surveyor other than the DA determining officer. A Peer Review Assessment by the Peer Review Panel is included where an Alternate Solution is proposed.

It is considered that this procedure addresses the concern with end to end control by one officer.

The building inspection and occupation certificate stages allow for further breaks in the approval process and include periodic auditing by the Director or Internal Auditor.

Proposed evaluation methods

The procedures outlined above and contained in the attached documents will be reviewed in 12 months to address whether any procedural issues have arisen and whether any modification to procedure is necessary.

(1) The audit will be undertaken prior to the end of the year.

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Recommendation 2.

That Willoughby City Council reviews its current practices and develops policies for the awarding of overtime, including:

- a. establishing a formal process for managers to determine and approve in advance the need for staff working overtime
- b. retaining a formal process for the claiming of overtime actually worked.

Summary of response

The recommendation will be:

- Implemented as described in the report
- Implemented in an alternative way
- Partially implemented
- Not implemented

Action proposed

A "Paid Overtime Policy" prepared by the Human Resources Branch is in place and sets out a formal process for Managers to determine the need for staff working overtime and for claiming overtime actually worked. A new overtime claim form has been developed as part of this policy.

Supporting material

A copy of Council's Paid Overtime Policy including overtime claim form is available on request from Council.

Proposed evaluation methods

The policy will be reviewed in 12 months to assess whether there have been any implementation issues and whether any modification to the policy or form is necessary.

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Recommendation 3.

That, as an interim measure, Willoughby City Council:

- a. produces and makes publicly available a clear list of what activities and work associated with a development are to be included in calculating the estimated costs of works
- b. requires any person submitting an application for development or a construction certificate to submit a quote from a builder or suitably qualified and licensed person of the estimated cost of work for the development proposal
- c. reinforces to staff who assess development applications that, under clause 255 of the Environmental Planning and Assessment Regulation 2000, there is a need to be satisfied that the estimated cost associated with the construction of the building is genuine and accurate.

Summary of response

The recommendation will be:

- Implemented as described in the report
- Implemented in an alternative way
- Partially implemented
- Not implemented

Action proposed

- (a) A “guide to estimating cost of works” and an “estimated cost of works calculation sheet” has been trialled and are now in operation. The “guide to estimating cost of works” is available on Councils website.

Council has amended the DA / CC application form which now requires for estimated cost of works up to and including \$500,000, that a Cost Summary Report Sheet be completed and signed by a suitably qualified person as defined in Council’s “guide to estimating cost of works”. For development costs greater than \$500,000 a Detailed Cost Summary Report Sheet is to be completed and signed by a registered Quantity Surveyor.

These measures allow the estimated costs of building and development work for the purposes of cl.25J and 255 of the Environmental Planning and Assessment Regulation 2000.

Documents used by staff such as DA and CC report sheets, DARC sheets and Fast Track application forms have been amended to include a check that the estimated costs are genuine and accurate.

Council staff can check an estimate of cost by referencing the in house document “Estimate of Cost Calculation Sheet” to determine if the estimate supplied is genuine and accurate.

Supporting material

(a) A copy of Council’s “Guide to Estimating Cost of Works” is available from Council’s website.

Council’s amended DA/CC form, which includes a requirement for an estimate of costs from suitably qualified person, is available from Council’s website.

Report sheets and DARC report sheet, are available upon request from Council.

Proposed evaluation methods

These procedures and documents will be reviewed upon issue of a Circular or Practice Note from the NSW Department of Planning and Infrastructure.

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Recommendation 5.

That Willoughby City Council implements changes to its Gifts and Benefits Policy and section 5 of its Code of Conduct that establish, as a minimum, a prohibition on Council staff and officials who exercise regulatory functions from accepting any gift, benefit or hospitality irrespective of its value.

Summary of response

The recommendation will be:

- Implemented as described in the report
- Implemented in an alternative way
- Partially implemented
- Not implemented

Action proposed

Council amended its Gifts and Benefits Policy on 8 August 2011 in support of this Recommendation. Council's Code of Conduct has now been amended in support of this Recommendation.

Council staff will be required to attend mandatory training on these Policies over the next 6 months.

Supporting material

Copies of the amended policy on Gifts and Benefits, the Code of Conduct, Confidential Information and Recommending Suppliers are available from Council on request.

Proposed evaluation methods

The Policy and Code can be reviewed within 12 months to assess whether any issues have arisen and whether modifications are necessary.

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Recommendation 6.

That Willoughby City Council formalises its practices around the Fast Track Approval System, and publishes these documents as an information pack that is publicly available for use by developers, builders and others in the business community. This should include the following:

- a. information required to be submitted by applicants in relation to the development proposal and the estimated cost of works
- b. fees payable by applicants
- c. level of information to be provided by Council officers assessing and determining the application in their worksheet or report with regard to the matters considered and the reasons for their determination
- d. d. circumstances in which applications should be referred to the Council's Development Assessment Review Committee or the Peer Review Group.

Summary of response

The recommendation will be:

- Implemented as described in the report
- Implemented in an alternative way
- Partially implemented
- Not implemented

Action proposed

An explanatory document which incorporates Recommendations 6(a) to (d) is currently available on Council's website in English. It is anticipated that this information will be made available in community languages within the next 3 months. Procedures for the Development Assessment Review Committee (DARC) and the Peer Review Group (Alternate Solutions) are operational.

Supporting material

A copy of the Fast Track DA Process explanatory document is available from Council upon request.

A copy of Council's Peer Review – Alternate Solution Procedure Policy is available from Council on request.

A copy of Council's Procedure for DARC meetings is available from Council on request.

Proposed evaluation methods

The information issued under Recommendation 6 (a) will need to be reviewed when the Department of Planning issues the Planning Circular on Estimating Cost of Works.

Recommendation 6(b) does not need evaluation.

Recommendation 6(c) will be evaluated as part of the Director and Internal Auditor periodic audit.

The criteria and process under Recommendation 6(d) will be reviewed within 12 months.

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Recommendation 7.

That Willoughby City Council:

- a. further enhances its campaign to educate the local community, including non-English speaking members, that gifts, hospitality and other benefits are not appropriate and that Council officers cannot accept them
- b. develops a program to engage and actively involve the local business community, with a view to establishing a dialogue that communicates the above message
- c. establishes an education program on cross-cultural matters for all frontline and regulatory staff.

Summary of response

The recommendation will be:

- Implemented as described in the report
- Implemented in an alternative way
- Partially implemented
- Not implemented

Action proposed

- (a) Council has an information booklet “Doing Business with Council” translated into community languages which is available on the Website and at Council’s Help and Service Centre. Council will promote the booklet through the local media, the quarterly newsletter to all ratepayers and accompanying DA / CC material for applicants. The brochure will be extended to displays and signage at Council’s Community Centres, Child Care Centres and Libraries. The brochure will also be distributed to business organisations and ethnic organisations that may have some role to play in spreading the message (eg, Chambers of Commerce, Australia / Asia Business Association).

It is proposed to incorporate this recommendation into a Community Engagement Strategy which is being developed in association with the integrated planning and reporting process. This will include a program to meet with local business owners / tenants to communicate the message.

Council’s Human Resources Section is developing additional and extended cross cultural training programmes for frontline and regulatory staff. The “Cultural Resource Centre” who

specialise in assisting organisations in developing staff to have an appreciation of doing business across cultures, have been engaged to develop a program that meets Council's specific requirements. It is intended that the program be finalised within the next 6 weeks. Once the program has been finalised it is intended to have all relevant staff attend a training session within the next 6 months. It is also intended to develop a cultural awareness program to be incorporated into Council's induction training for future staff. Details will be provided to the ICAC when the program has been developed.

Supporting material

(a) The information booklets "Doing Business with Council" are available from Council.

A copy of Council's Community Engagement Strategy (August 2011) is available from Council upon request. Items 5 and 8 on page 10 of the Strategy apply.

Proposed evaluation methods

(1) Distribution of information booklet and promotion has occurred under a) above.

The meeting with local businesses occurs within the next 12 months.

The Cultural Awareness Program is undertaken, all staff are to attend the training session and the Induction Program for new staff is included in training.