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your ref:Z11/0151

**SCANNED**

Dr Robert Waldersee  
Executive Director  
Corruption Prevention  
Independent Commission Against Corruption  
GPO Box 500  
SYDNEY NSW 2001

Dear Dr Waldersee


Thank you for your letter of 11 March 2013. Sydney Water's 24 month report on the implementation of the Operation Siren recommendations is attached.

Sydney Water commissioned Deloitte to independently assess the implementation status of the actions for this report. A copy of the Deloitte findings is also attached.

Deloitte found all recommendations had been implemented but some with exception. These have since been addressed. Deloitte also offered some opportunities for improvement to further improve the implementation actions. These have been accepted and will be actioned.

Mark Bible, Manager Corruption Prevention is our contact for this matter. Mark's number is 8849 6178.

Yours sincerely

 21/4/13  
**Kevin Young**  
Managing Director

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

*Please update this schedule with information about the status of each item as at 1 Mar 2013. Include details of the latest action/update in respect of each initiative, dates where relevant and attach copies of any documents referred to, where possible, in support of implementation of particular initiatives. Please provide the name of a contact person in your agency from whom we can seek more detail if needed. Please return this document to the ICAC in writing and electronically to [bmarx@icac.nsw.gov.au](mailto:bmarx@icac.nsw.gov.au) by no later than 29 Mar 2013.*

#### **Recommendation 1.**

That Sydney Water ensures staff in identified risk areas of operational and/or fraud risk are subject to intrusive supervision

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*Corruption and fraud risk assessments have been undertaken on every business unit for every division. The program was completed by 30 June 2012.*

*A high level refresh of new and emerging corruption and fraud risks will be conducted half-yearly, to commence June 2013, or immediately upon notification of a corruption and fraud risk incident occurring. An annual review of high residual risks is to be completed by December 2013, as part of the divisional risk review process.*

*A corruption and fraud risk assessment has also been completed on the Odour Management Program Alliance. Sydney Water delivers a significant proportion of its capital works program via a number of alliances with private sector companies. Further corruption and fraud risk assessments are proposed for other alliances to be complete May 2013.*

*Corruption and fraud risk assessments have also been carried out where requested by the business as part of projects, contracts, and tender risk assessments.*

*General Managers reported to the Managing Director in September 2011 on intrusive supervision controls within their divisions.*

## **Supporting material**

- *Risk Management Policy*
- *A Quick Guide to Controls for Mitigating Risks*
- *Corruption and fraud risk assessments.*
- *Divisional responses to Managing Director on intrusive supervision controls*

## **Evaluation of implementation**

- *Internal Audit reviews of corruption and fraud risk assessments*
- *General Managers responses to Managing Director on intrusive supervision in their divisions.*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 2.**

That Sydney Water provides training to its managers in relation to

- overseeing subordinates' interactions with external parties including reviewing files
- detecting and acting upon warning signs that their subordinates may be behaving improperly

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*The Leadership Framework has been deployed. Managers and supervisors understand the accountabilities and authorities of their respective roles. The Framework sets the requirements to follow the organisation's authorised policies and procedures. A guide for managers that describes how to apply the framework has been issued to all managers and published internally. Ongoing communication links to the guide to reinforce the concepts. Further manager development is ongoing via a manager competency program. New staff are being trained where the framework applies to their role.*

*Oversight of subordinates' interactions with external parties and detecting and acting on warning signs of improper behaviour forms part of the current Fraud and Corruption Prevention eLearning course. The course is compulsory for staff.*

#### **Supporting material**

- *Changed policies for create a role, select, induct, assess, reward and develop*
- *Managers Guide*
- *Manager competency program*
- *Training records*
- *Fraud and Corruption Prevention eLearning course*

## Evaluation of implementation

*A baseline measure in the annual staff survey has already been taken for managerial leadership.*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 3.**

That Sydney Water reviews its organisational structure to identify and remedy other situations where supervisory arrangements are split or unclear

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*The leadership Framework includes processes to review the organisation structure and role accountabilities. Specific workshops in organisational design were held for General Managers in November 2011.*

*The organisational structure has been reviewed down to level 4 based on the organisational design principles in the leadership framework. This ensures that each management role has sufficient authority and accountability.*

*In January/February 2012 General Managers reported on their respective business functions regarding any split arrangements or unclear accountabilities and action to be taken. General Managers will be requested to report again, post organisational restructure, on their business functions regarding any split arrangements or unclear accountabilities and any action to be taken.*

#### **Supporting material**

- *Training records*
- *A guide with principles for organisational design*
- *General Managers' responses on split supervision/unclear accountabilities (file 2012/00006A)*

#### **Evaluation of implementation**

- *Training completed*
- *Risk accountabilities formally designated and accepted by the General Managers*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 4.**

That Sydney Water revises its procurement processes to ensure that one individual cannot request, approve and certify delivery of a purchase

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented ✓
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*An additional approval step now forms part of the procurement process. Purchase orders for professional service engagements valued at less than \$100,000 are now work flowed to an 'approver 1' in Accounts payable before being work flowed for approval by an 'approver 2' (this is the delegated authority holder for the expenditure)*

*A system upgrade stops the 'buyer' being the 'approver' and 'receiptor'. Past instances of a 'creator' and 'approver' being the same person are detected as part of suspicious transaction analysis.*

#### **Supporting material**

- *A program enhancement was made to Peoplesoft to enable the new procedure ('additional approval step') to occur*
- *IT work request (4674) for FMIS system upgrade ('buyer, approver, receiptor')*
- *Suspicious Transaction Analysis test criteria, results and, if applicable, management follow up and action*

#### **Evaluation of implementation**

- *Two external reviews have been carried out and the procedure ('additional approval step') is performing as per design specification*
- *FMIS upgrade evaluated in test environment*
- *Review of Suspicious Transaction Analysis report*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 5.**

That Sydney Water ensures that managers are accountable for their subordinates' use of delegation

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*A full review of the Delegations Manual was completed in June 2012 and the new manual launched for use from 1 July 2012, reflecting the changed organisational structure. The Manual holds officers accountable for their actions to the limits of their delegation.*

*General Managers are responsible for determining the nature and extent of delegations required within their divisions. They are required to annually review and endorse the delegations within their divisions. This was completed in June 2012.*

*A Business Intelligence (BI) report is available on the corporate intranet for managers to review their subordinates' expenditure approvals. Use of these Business Intelligence reports is monitored. Monitoring of the BI report for the three months to 31 December 2012 has shown a deterioration in report usage by managers. This will be addressed by:*

- a message from the CFO to all managers reminding them of the requirement to regularly review expenditure approvals by subordinates, and*
- submitting a report to General Managers each quarter on usage trends for the BI report, by staff in their division*

*The next review of delegations is to be complete by 30 June 2013 with General Manager sign-off required before July 2013.*

*In October 2012, Internal Audit reported on 'Divisional Risk - Business Case Process' which included some improvement opportunities around standardisation and simplification of delegations. These recommendations were accepted by management and will be implemented by June 2013.*



*Internal Audit has also done a 'Review of Aspects of Delegations' with a draft report issued for discussion in January 2013.*

## **Supporting material**

- *Annual sign-off by General Managers and Managing Director (June 2012)*
- **Audit reviews :**
  - **Divisional risk – Business case process**
  - **Aspects of Delegations (draft report)**
  
- **BI usage trend reports to General Managers**
- **CFO message to managers**

## **Evaluation of implementation**

*The current delegations manual is accessible by all staff on the corporation's intranet*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 6.**

That Sydney Water develops an automated process to check invoices for order splitting

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*Sydney Water implemented in-house Suspicious Transaction Analysis testing in November 2010. Order splitting forms part of the testing. Any suspicious transactions are referred to the respective General Manager and Internal Audit (no issues yet identified). The testing program has expanded from the original 21 tests recommended in the PriceWaterhouseCoopers review to 35.*

*The expanded program includes testing of cumulative vendor payments greater than \$100,000 by the same authoriser, in the same department, with no contract in place. This is the key test referred to in the ICAC's report that could not be performed by PriceWaterhouseCoopers due to data being unavailable at the time of their review.*

#### **Supporting material**

- *Detailed Suspicious Transaction Analysis test criteria*

#### **Evaluation of implementation**

- *Implementation of the STA process is complete and reports are produced quarterly. Ownership of the STA process was transferred to Manager Business Governance (Finance and Corporate Services) on 1 July 2012.*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 7.**

That Sydney Water

- reviews the information in its financial databases to ensure that it is accurate
- modifies its financial management system to allow for vendor details on invoices to be compared automatically with the corresponding details in its vendor database
- establishes processes to maintain the accuracy of the information in its vendor database

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*Since November 2010 any changes to the vendor database require supporting information and are work flowed to a senior manager in Accounts Payable. This approval is mandatory before the vendor is activated in the Financial Management Information System (FMIS).*

*The ABN field is now mandatory in the setup of vendors. 95% of all invoices are scanned through the Readsoft scanning system and automatically matched with the vendor database via matching of the ABN number on the invoice.*

*All vendors with no activity greater than 12 months are 'closed' within FMIS. As part of the vendor due diligence testing in the Suspicious Transactions Analysis program, vendor records are being reviewed within FMIS in at least quarterly cycles. Specific tests include:*

- *Vendor ABNs that do not comply with the ASIC algorithm*
- *Vendors with no ABN details in FMIS*
- *Vendors sharing the same ABN, bank accounts, address details or phone numbers*

#### **Supporting material**

- *IT work request 4630 that made the ABN fields mandatory for all vendors.*

## Evaluation of implementation

- *ABN validation evaluated in a 'test FMIS environment to ensure the work request was actioned as per specifications*
- *Quarterly reviews of the vendor database and invoice details – track and follow up trends in anomalies*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 8.**

That Sydney Water

- develops a list of manual checks that accounts staff should perform on invoices and communicates it to them
- reviews invoices on a sample basis to ensure that these checks have been performed
- ensures that accounts staff are fully aware of the risk of fraud.

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*An accounts payable invoice/payments checklist was posted on the Sydney Water intranet on 24 November 2010. The checklist was also given to each Accounts Payable staff member. Scanned invoices are checked daily on a sample basis.*

*PriceWaterhouseCoopers provided fraud awareness training to all Accounts Payable staff in June 2010.*

*Three Accounts Payable managers attended ICAC's 'Corruption Prevention for Procurement Managers' in October 2010. Nine Accounts payable processing staff attended ICAC's 'Corruption Prevention for Procurement Officers' in October 2010. A further two staff members received training in the August 2011 ICAC sessions. The remaining five Accounts Payable processing staff and fifteen other staff, with a connection to the procurement/payables/receivables process, received training in September 2011.*

*Periodic suspicious transactions analysis is being carried out and a full time person is dedicated to this role.*

*The acting Manager Shared Services and Process Driver – Compliance attended the ICAC's Corruption Prevention for Managers training in March 2012.*

## Supporting material

- *Training log of staff that attended ICAC Corruption Prevention for Managers Seminars*
- *ICAC training material provided during seminars*

## Evaluation of implementation

- *Accounts Payable Team Leaders and Accounts Payable Manager will independently review any transactions that staff consider to be of high risk (as identified from the training seminars such as error invoices/rejected invoices)*
- *All Accounts payable staff have completed ICAC training. The training was also provided to key staff across the business involved in either procurement, payables or receivables processes*
- *Accounts payable/invoice payment checklist*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 9.**

That Sydney Water applies more rigour to its complaint assessments and investigation practices to ensure decisions are appropriate and verified by an appropriate quality assurance process.

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*Ernst & Young reviewed Internal Audit's Investigations Manual in November 2010. Subsequently, Deloitte Touche Tohmatsu developed Investigations Guidelines in June 2011. Deloitte Touche Tohmatsu reviewed the complaints recording system in February 2011 and provided some suggestions for improvement.*

*An Assessment report is prepared for all complaints received and reviewed by the Manager Internal Audit. Sydney Water's Corporate Secretary independently checks Internal Audit's complaint assessments as to whether to proceed with investigations.*

*Investigation plans and reports are reviewed and approved by the Manager Internal Audit. On-going discussion occurs with the Manager Internal Audit during the course of an investigation.*

#### **Supporting material**

- *complaints handling procedures*
- *complaints database*
- *assessment reports*
- *investigation guidelines*
- *investigation plans, investigation reports*

#### **Evaluation of implementation**

*Independent review of complaint assessments and investigation practices*

## 24 Month Final Report

### Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)

#### Recommendation 10.

That Sydney Water develops a dedicated complaint management area and associated systems to manage complaints about employees from receipt to completion and record any action for future corporate information.

#### Summary of progress

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### Action taken to implement recommendation

Internal Audit is responsible for complaints handling and has established a complaints database and complaints handling procedure. These were externally reviewed by Deloitte in February 2011. All complaint assessments are independently reviewed and signed off by the Corporate Secretary.

#### Supporting material

- *complaints handling procedures*
- *complaints database*
- *assessment procedures*
- *assessment reports*

#### Evaluation of implementation

*Independent review of complaints handling practices*



## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 11.**

That managers and supervisors at Sydney Water, as well as staff performing roles that require interaction with the public or external contractors/plumbers, be given training on how to deal with complaints about Sydney Water employees.

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*Dealing with complaints about Sydney Water's employees is part of the current Fraud and Corruption Prevention eLearning course. The course is compulsory for staff.*

*This is also referenced in face to face staff awareness sessions and in the November 2011 and November 2012 Quarterly Integrity Update.*

*ICAC sect 11 requirements training held in November 2011 for new Internal Audit staff and Internal Audit staff not directly involved in investigations.*

#### **Supporting material**

- *Ethics, Fraud and Corruption presentations*
- *attendance records*
- *Integrity Newsletter*
- *Fraud and Corruption Prevention eLearning course*

#### **Evaluation of implementation**

- *Annual 'Your Say' staff survey – questions dealing with fraud and corruption*

## 24 Month Final Report

### Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)

#### Recommendation 12.

That access to the Corruption Hotline be extended to the public by providing an intuitive access point on the Sydney Water website home page.

#### Summary of progress

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### Action taken to implement recommendation

*A 'Corruption Hotline' link is on the Sydney Water website home page.*

*Sydney Water's redesigned website is scheduled to be launched in late March 2013. Arrangements are in place to have a Corruption Hotline link on the home page of the new website.*

*The 'Corruption Hotline' has also been promoted in Sydney Water's 'Waterwrap' insert, that went with all 2012 third quarter residential customer bills, and the 'Business Update' insert that went with all 2012 third quarter business bills. This is scheduled to happen annually.*

#### Supporting material

- *Sydney Water website home page*
- *'Waterwrap' (2012 3<sup>rd</sup> quarter)*
- *'Business Update' (2012 3<sup>rd</sup> quarter)*

#### Evaluation of implementation

*Corruption Hotline reports from the public*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 13.**

That the Sydney Water Code of Conduct be amended to include advice, warning against taking reprisal action against other employees or contractors for making a complaint.

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*'Working at Sydney Water's' reporting improper conduct section includes advice that Sydney Water will not tolerate any reprisal against those who report conduct including harassment and unethical or corrupt behaviour.*

#### **Supporting material**

*Relevant page from 'Working at Sydney Water'*

#### **Evaluation of implementation**

*'Working at Sydney Water' issued*

## 24 Month Final Report

### Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)

#### Recommendation 14.

That upon commencement of the *Protected Disclosures Amendment (Public Interest Disclosures) Act 2010*, and at regular and appropriate intervals thereafter, Sydney Water contractors be advised of their rights under the Protected Disclosures Act and the process of making a protected disclosure.

#### Summary of progress

<complete one of the following>

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### Action taken to implement recommendation

*From 1 July 2011 individuals engaged as contractors are included in the Act's definition of a public official who can make a public interest disclosure. This excludes individual contractors who operate as a business (such as sole trader or company). Given this narrow coverage, Sydney Water will voluntarily treat a report from this type of individual contractor as if it is a public interest disclosure. Letters to identified individual contractors were issued from July 2011.*

*Given that Sydney Water's vendor database cannot readily identify this type of contractor Sydney Water's contract shells and letter of engagement have been amended to include advice that individual contractors can make a disclosure. This aims to capture all future engagements of individual contractors.*

*In addition, advice has been included in site inductions for contractors visiting Sydney Water's wastewater treatment plants, water recycling plants and water filtration plants as well as its laboratory site at West Ryde and Potts Hill site.*

#### Supporting material

- *Advisory letters to individual contractors*
- *contract shells*
- *site induction insert on public interest disclosures*

# Evaluation of implementation

PID reports from contractors

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 15.**

That Internal Audit includes in its audit plan evaluation of the implementation and operation of divisional corruption prevention plans derived from the current risk assessment workshops

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*Internal Audit has independently reviewed all key mitigating controls to emerge from divisional fraud risk assessments. All divisions were completed by October 2012.*

*Internal Audit will conduct audit activity to confirm that accepted recommendations made in the individual Divisional reports have been implemented/maintained.*

#### **Supporting material**

- *Reports, including management responses to recommendations.*

#### **Evaluation of implementation**

- *Independent Audit to assess the appropriateness and effectiveness of key controls to mitigate divisional corruption/fraud risks.*
- *Tracking of accepted recommendations from divisional corruption/fraud risks control audits*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 16.**

That Sydney Water develops a strategy to capture and champion best practice that is identified in the course of its operations. This is to include

- ensuring its strategic business plans provide for the integration of corruption prevention strategies
- utilising its business risk registers to formulate corruption prevention strategies to be centrally managed.

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*Internal Audit and the Risk and Resilience unit meet with a standing agenda to discuss corruption and fraud issues, prevention strategies and the status of risk assessments.*

*Internal Audit independently reviews risk assessments to evaluate control effectiveness, identify non-conformances and recommend improvements. As part of these reviews, Internal Audit identifies best practice controls that can be considered for implementation within business units.*

*A process is in place for reviewing procurement strategies for ongoing service contracts, prior to approval of the strategies. The review produces a report ('pink slip') in a set format that includes specific commentary on fraud risk and any improvement actions required. Procurement strategies for contracts valued at more than \$5 million are reviewed jointly by the Business Governance and Capital & Procurement units of Finance and Corporate Services division and the resulting 'pink slip' report is then reviewed by the Sydney Water Executive with the procurement strategy prior to its approval. Procurement strategies for recurrent service contracts valued at less than \$5 million are reviewed by the divisional Finance Manager and a 'pink slip' report provided to the relevant General Manager prior to approval of the strategy.*

*The Corporate Strategic Plan for 2012-2016 includes a corporate initiative on corruption prevention to ensure that corruption prevention is driven through Sydney Water's values of*

*honesty and personal responsibility and the implementation of the Corruption Prevention Strategy through the Corruption Prevention Program.*

## **Supporting material**

- *Agenda and minutes of Corruption Prevention Committee meetings*
- *Corporate Strategic Plan for 2012-16*
- *Corruption Prevention Strategy*
- *Corruption Prevention Program*

## **Evaluation of implementation**

- *Actions resulting from Corruption Prevention Committee meetings completed on time*
- *Performance and development planning process*
- *'Pink slip' reviews are routinely done and a report on upcoming procurement strategies is reviewed monthly by the Executive*



## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 17.**

That Internal Audit continues its actions to strengthen communication with contractors through face-to-face presentations on ethical obligations

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*Five 'developer works' seminars on 'Doing Business with Sydney Water' held over October and December 2011 for key people from Sydney Water-accredited providers for developer work. Presentation on corruption prevention program to Business Customer forum (trade waste industry representatives) held on 30 November 2011.*

*Presentation on 'Doing Business with Sydney Water' to contract meter readers held in September 2011. Presentation on 'Doing Business with Sydney Water' to plumbers' seminar held in mid-October 2011. Next plumbers' seminar scheduled for 10 April 2013.*

*Presentations to contractors on Service Delivery Division's Inventory Management Project in June 2012, the Water Servicing Coordinators forum on 4 September 2012 and the External Quality Council on 19 September 2012.*

In September 2012 the Managing Director wrote to 960 vendors outlining Sydney Water's commitment to ethical work practices.

From 11 April 2012 developers and Sydney Water listed providers are required to sign a single developer works deed with Sydney Water for each developer works job. The deed contains the obligations and responsibilities of the parties to the deed and binds the parties to comply with Sydney Water's Business Ethics Guide. It also requires the developer and

providers to declare if they have been found corrupt by ICAC and not to employ staff or contractors that have been found corrupt by ICAC.

## Supporting material

- *Presentation material*
- *Developer works deed*

## Evaluation of implementation

*Completion of feedback form by attendees at presentations*

## **24 Month Final Report**

### **Investigation into corrupt conduct of Sydney Water employees and others (Operation Siren)**

#### **Recommendation 18.**

That Sydney Water recasts *Working at Sydney Water* as the Code of Conduct and expressly prohibits the acceptance of money with regard to gifts and benefits.

#### **Summary of progress**

*<complete one of the following>*

- Implementation has not yet started
- The recommendation has been implemented
- The recommendation will be implemented differently
- The recommendation is no longer relevant
- The recommendation has been partially implemented

#### **Action taken to implement recommendation**

*The Code of Conduct includes advice that staff must never accept money in any form.*

#### **Supporting material**

*Relevant page from Code of Conduct*

#### **Evaluation of implementation**

*Code of Conduct issued*