

Independent Commission Against Corruption

Thursday 12 May 2011

Solicitation of a corrupt payment by a Strathfield Municipal Council officer

ICAC FINDINGS

- The ICAC has found that Michael Chau, Manager of Community Services at Strathfield Municipal Council, engaged in corrupt conduct.
- Mr Chau engaged in corrupt conduct by soliciting a \$10,000 payment for his own benefit from Phillip Armstrong, NSW Business Development Manager at Tenix Solutions.

ICAC RECOMMENDATIONS

- The ICAC recommends that the advice of the Director of Public Prosecutions (DPP) should be obtained with regard to the prosecution of Mr Chau for an offence of soliciting a corrupt payment under section 249B(1) of the *Crimes Act 1900*.
- The Commission is also of the opinion that consideration should be given to the taking of action against Mr Chau with a view to dismissing, dispensing with the services of or otherwise terminating his services on the grounds that he engaged in the misconduct described in today's report.

BACKGROUND

- The Commission's investigation arose out of a report made to on 7 September 2010 by David Backhouse, the General Manager of Strathfield Municipal Council.
- Mr Backhouse said that he had been notified of an allegation that Mr Chau had sought a payment of \$10,000 from Mr Armstrong on 3 September 2010.
- The matter reported to the Commission was serious and could, if established, constitute corrupt conduct within the meaning of the *Independent Commission Against Corruption Act 1988*.
- It was therefore necessary to establish whether Mr Chau had, with the intention of securing a benefit for himself, solicited a payment of \$10,000 from a person who was negotiating with the Council about a business proposal.
- The Commission held a public inquiry, as part of the investigation, over two days commencing on 1 February 2011.
- Assistant Commissioner Theresa Hamilton presided at the public inquiry, at which six witnesses gave evidence.
- The full report can be accessed from the ICAC website at <u>www.icac.nsw.gov.au</u>.

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