

Investigation into a Housing NSW officer's failure to declare conflicts of interest and secondary employment**ICAC FINDINGS**

- The ICAC finds that former Housing NSW officer, Frank Garzaniti, engaged in corrupt conduct by:
 - deliberately failing to declare a conflict of interest to Housing NSW and seek approval from Housing NSW for secondary employment arising from his interest in G&F, which performed Housing NSW contract work as a subcontractor to Crossley McLean, from which he derived substantial personal financial benefits; and
 - deliberately failing to declare a conflict of interest arising from his relationship with his friend Frank Santomingo, whose company Greenfield was used by Mr Garzaniti to conceal his and G&F's involvement in Housing NSW contract work, in order to retain the work and continue to benefit financially from it.

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 Mr Garzaniti for the common law offence of misconduct in public office.

CORRUPTION PREVENTION

- The report sets out corruption prevention issues and reforms implemented in recent years by Housing NSW to more effectively manage corruption risks associated with its procurement function, conflicts of interest and secondary employment.
- In view of these reforms, no corruption prevention recommendations are made to Housing NSW in relation to this investigation.

BACKGROUND

- The ICAC's investigation into this matter commenced in November 2007, after the Commission received a report from Housing NSW concerning Mr Garzaniti's failure to disclose his conflicts of interest.
- Mr Garzaniti resigned from Housing NSW in February 2008. Accordingly, no recommendation is made in respect of any disciplinary proceedings against him.
- There is insufficient evidence to indicate that Mr Santomingo's conduct could constitute or involve a criminal offence. The Commission is therefore not of the opinion that consideration should be given to obtaining the advice of the DPP with respect to the prosecution of Mr Santomingo for any criminal offences.
- A public inquiry was held as part of this investigation over two days commencing on 16 March 2010. Assistant Commissioner Theresa Hamilton presided and four witnesses, including Mr Garzaniti and Mr Santomingo, gave evidence. The report is available on the ICAC website at www.icac.nsw.gov.au.

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