



## **MEDIA RELEASE**

30 August 2018

# CCC report finds serious misconduct at Shire of Halls Creek and yet again identifies procurement concerns in the WA public sector

The Corruption and Crime Commission (CCC) has today (Thursday 30 August 2018) tabled its Report into how conflicts of interest undermine good governance - A report on the Chief Executive Officer of the Shire of Halls Creek. This follows a two-year investigation into allegations regarding the Shire of Halls Creek and its CEO Mr Rodger Kerr-Newell.

Halls Creek is the latest in a series of more than 10 regional and metropolitan local government authorities who have been the subject of a <u>Corruption and Crime Commission Report</u> in recent years.

The Commission formed a number of opinions of serious misconduct relating to Mr Kerr-Newell's disclosure and management of conflicts of interest and the misuse of entitlements. The Commission also discovered that Mr Kerr-Newell contravened probity and accountability standards in a botched procurement process for the purchase of six Toyota vehicles to Halls Creek Toyota.

The investigation revealed that Mr Kerr-Newell used his position as CEO to appoint Ms Bronwyn Little, with whom he had a long-term intimate relationship, to the role Strategic Planning Manager at the Shire. In doing so, he corrupted the recruitment process by affording Ms Little the opportunity to write the job description and even appointed her before the application closing date. Mr Kerr-Newell also failed to accurately disclose the true nature of their relationship or his conflict of interest, and increased her salary by \$24,000 (in total) over a four-year period.

Mr Kerr-Newell failed to meet his obligations under the *Local Government Act* in respect to his secondary employment as a Director of three windfarm companies in New Zealand. While Mr Kerr-Newell did seek consent from the Shire President to take on a Directorship with NZ Windfarms, he failed to disclose his financial interest in these companies, the amount of time he would spend fulfilling the role, and his appointment as Chairman.

Mr Kerr-Newell regularly took leave recorded as time-in-lieu to which he was not entitled, and regularly travelled to New Zealand on wind farm business. This equated to 24 days leave per year or approximately \$78,000 of ratepayers money.

In the wake of the CCC's investigation, and its <u>public examinations into the Shire of Halls Creek</u> in April 2018, Mr Kerr-Newell's employment was terminated by the Shire.









This report again highlights the importance of 'whistleblowers' in uncovering serious misconduct and corruption in the WA public sector. Commissioner John McKechnie QC has called on anyone with information regarding serious misconduct by a public officer to come forward.

All information received by the Commission is treated confidentially and can be made anonymously. If you have information that could be useful to the CCC, you can contact a confidential phone line on 1800 809 000 or visit <a href="https://www.ccc.wa.gov.au">www.ccc.wa.gov.au</a>.

Over the course of this investigation, it became evident that other members of the community may also have had relevant information but were reluctant to contact the CCC because they had signed non-disclosure agreements.

"The CCC Act 2003 protects any person subject to a non-disclosure or confidentiality agreement from any civil or criminal liability incurred as a result of making an allegation or providing that information to the Commission."

### **Download the Report**

<u>Report into how conflicts of interest undermine good governance - A report on the Chief</u>
<u>Executive Officer of the Shire of Halls Creek</u>

#### Related material

Transcripts - public examinations into the Shire of Halls Creek

**ENDS** 

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