



Report on Department of Transport Response to Commission Recommendations

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TABLE OF CONTENTS

Background.....	1
Response to Report on Corruption in Respect of Driver Licence Applications.....	2
Response to Report on Activities of Certain Vehicle Examiners Contracted by the Department of Transport	4
Response to Report on Corruption in Respect of Truck Driving Licence Applications.....	6

Background

- [1] The Commission has delivered three reports to Parliament relevant to licensing activities carried out by contractors to the Department of Transport (DoT):
- A Report on Corruption in Respect of Driver Licence Applications - 16 December 2016;
 - Report on the Activities of Certain Vehicle Examiners Contracted by the Department of Transport - 24 January 2017; and
 - Report on Corruption in Respect of Truck Driving Licence Applications - 2 November 2017.
- [2] Under the *Corruption, Crime and Misconduct Act 2003* s 85, the Commission may report on the response of DoT to the matters raised in the three reports.
- [3] DoT has responded and the Commission commends DoT for its active steps to reduce corruption risks as set out in this report. It particularly thanks the cooperation and assistance given by Mr Bruce Moore, Assistant Director Governance.
- [4] The only matter the Commission would recommend for further consideration is:
- A scheduling facility that provides advance notice of who is to undertake a Practical Driving Assessment (PDA) which can be monitored by DoT if necessary.
- This has been suggested as a pro-active measure following each investigation that the Commission has undertaken. The reason is that advance knowledge of PDA's or inspections would allow DoT Compliance Officers the opportunity to plan and conduct pro-active compliance activity rather than remain limited to a reactive response after the fact.
- [5] The balance of this report is DoT's detailed response.

Response to Report on Corruption in Respect of Driver Licence Applications

Provision of Practical Driving Assessments (PDA)

On review of the corrupt practices employed by former DoT contract for services provider (CFSP) Mr Gregory Briotti, including the method behind his non-compliance and his relationship with local Shire employees who were authorised to provide licensing services, the DoT has implemented the following procedural changes:

- All bookings for PDAs made by Shire Agents are now booked using DoT's TRELIS licensing database. This is consistent with practice at DoT operated service centres, and has removed the previous practice of allowing Shires to maintain their own booking practices. This provides DoT with knowledge of PDAs both before and after the event.*
- Where DoT uses PDA CFSP in regional locations the Shire or local agent's authorised personnel is now required to meet and greet the customer attending for the PDA prior to the CFSP taking the assessment. In addition to this measure the agent's personnel is to confirm the customer's identity and endorse the PDA scoresheet of the action taken. This measure ensures that the customer is actually present at the site for which they are booked for the PDA. A DoT licensing instruction (55/2015) has been issued on this matter.*
- Where a PDA is conducted outside of normal working hours and authorised agency personnel are unavailable the PDA is not to proceed unless prior approval has been granted from DoT's operational contract manager and written authority has been provided. This will strengthen DOT's governance over the conduct of PDAs outside of hours specified in the contract and will provide a lasting record of any approvals or refusals of requests.*
- The aforementioned measures will also be audited for compliance on the receipt of any invoice from the CFSP seeking payment for PDAs conducted. Any PDA that does not appear on DOT's booking system will be investigated prior to payment for services being made.*
- The invoicing method of DoT's CFSPs has been standardised and there is now an enhanced process in place and undertaken by DoT in the reconciliation of PDA's conducted and the cross-referencing of associated data. Any discrepancies found in the financial process are reported directly to the appointed Contract Manager.*
- A contract management plan for all CFSP's has now been implemented to clearly outline each responsibility within the contract to ensure effective internal contract management. Responsibilities are allocated to appropriate business areas and a Control Group has been established to meet biannually to review the contract requirements. The responsibilities of the Control Group include, ensuring the adherence of all conditions, including, regular auditing of the CFSP and documented findings, technical refresher training*

completed where required, and biannual performance meetings with the CFSP contractor, or at greater frequency if determined necessary. A formal escalation process now exists in dealing with contractual non-compliance.

- *Auditing and Compliance measures have been strengthened by way of changes to methodology, including use of analytical software, the production of suspicious matter reports, and the adoption of a risk based compliance strategy which includes targeted auditing.*
- *DoT has further defined the responsibilities of the business units involved in the provision of PDAs, namely Driver and Vehicle Services (DVS) and Regional Services Business Unit (RSBU) and greater alignment in the administration and management of these contracts have been put in place.*
- *DoT has developed an electronic PDA recording tool (known as I-Assess) which includes audio recording capabilities and provides further governance over the activities of its own Assessor's and CFSP's. I-Assess has been tested and is currently operational at the Mirrabooka DVS Centre and will be rolled out to other metropolitan DVS Centres this year. It is intended that development and implementation of GPS capabilities for I-Assess will be included in the future.*
- *In my letter of 3 February 2017 I advised you of the implementation of I-Assess (electronic Practical Driving Assessment (PDA) tool) at the Mirrabooka licensing centre and I now advise that this tool is scheduled for implementation at all metropolitan licensing centres by August 2018 when the roll-out will then proceed into regional areas. I-Assess has been upgraded since the Mirrabooka roll-out to include GPS capabilities and DoT Compliance Officers now have significantly strengthened auditing ability and oversight on PDA conducted.*

Shire and Agency personnel authorised to conduct licensing services

- *DoT is exploring options to improve its presence in the Wheatbelt region in particular greater stakeholder relationship with Agency principals and their authorised licensing personnel and by providing a visible and regular presence in locations where PDAs are provided. DoT does not have an office in the Wheatbelt unlike other regions within Western Australia.*
- *The DVS Governance business unit has commenced audits of Shire offices that are contracted to perform licensing transactions on behalf of DoT and these audits are aimed at ensuring Shire offices and their authorised personnel are operating in accordance with their contractual requirements. Audits undertaken so far have been conducted in the Great Southern and South-West regions.*
- *The matters involving Mr Briotti and the PDA investigation identified that Shire personal staff were not always diligent in their entry of data into TRELIS, particularly with regard to their obligation to ensure the data was true and correct. As a consequence, the Confidentiality Undertaking signed by applicants when requesting TRELIS access is currently under review to ensure it clearly outlines the TRELIS user's responsibilities and use of the system, and the potential consequence for non-compliant use.*

- *In addition, the training provided to both employees and agents who use TRELIS is currently under review. This will include placing greater focus on integrity issues and obligations in the use of TRELIS including confidentiality requirements, maintaining the integrity of data, acting ethically in decision-making, and contacting the DVS helpdesk when there is any uncertainty in regard to responsibilities, or when a perceived inappropriate communication or request has been received.*

Response to Report on Activities of Certain Vehicle Examiners Contracted by the Department of Transport

In reinforcing compliant and ethical practices and to deter unethical and corrupt practices by DoT Authorised Inspection Station operators and the personnel authorised to conduct vehicle inspections for the purpose of licensing and registration (AVEs) the Director General DoT has taken the following actions:

- *On 12 October 2015 an additional staff member with relevant trade qualifications was allocated permanently to DVS's Vehicle Compliance Team (VCT). Effective from this date the team now contains seven full time officers and a manager and the additional resource will enhance auditing ability and timeliness of response.*
- *On 26 November 2015, Vehicle Compliance Officers (VCO's) completed training in Intercepting and Inspecting Vehicles. This practical ability will be exercised in two marked vehicles equipped with lights and sirens that are allocated to the VCT to conduct 'real time auditing'. It is intended in accordance with a risk based strategy that vehicles of interest will be intercepted as they leave an AIS premise and a full inspection will be conducted immediately after the vehicle has been inspected by the AIS. This will allow DoT to test the compliance of AIS and AVEs. The VCT officers who are appointed as wardens are empowered to conduct this method of interception under the Road Traffic (Administration) Act 2008.*
- *The auditing methodology and compliance model used by the VCT has been strengthened with the creation of Vehicle Compliance business rules which are now finalised and published as part of the Governance Operational Procedures.*
- *The AIS vehicle compliance model has been strengthened with the creation of Vehicle Compliance business rules which are now finalised (February 2016) and published as part of the Governance Operational Procedures. This document provides accountability, consistency and transparency in DoT's management of compliance.*
- *The DoT DVS business unit has implemented a risk based compliance strategy that includes the use of data mining and analytical software to support targeted audits.*
- *In terms of AIS operators, the training delivered to AIS' prior to conducting inspections on behalf of DoT now contains some components via e-learning modules to provide better accessibility, and to ensure that the training is*

conducted to modern learning standards. The e-learning modules are also available to AIS for reference during the course of their duties.

- *DoT is also considering imposing additional measures on the AIS such as photographing vehicles and their identifiers (VIN) at the authorised site as a mechanism to ensure that the vehicle is being inspected at the authorised premise. While desirable this measure requires additional scoping with regard to administration, storage and associated practical and technical issues.*
- *The Vehicle Inspection System (VIS) which is used by AIS to submit vehicle inspection data electronically is currently being updated and will be rolled out to internal DoT users (Vehicle Examiners) to enhance audit and quality assurance issues and data integrity.*

Other Actions in general

- *In June 2015 DoT established a dedicated team, Risk Intelligence and Analytics (RIA) for developing its capability to analyse data and provide risk assessments to enhance compliance and audit functions within DVS Governance. This team is responsible for developing scheduled and ad-hoc reviews of data from DoT systems for the purpose of identifying unusual activity in the area of transactions, including, vehicle inspections and practical driving assessments.*
- *DoT has also implemented a case management system (I-Base) that has been operating in the DVS Governance team from October 2015. Development has begun to include compliance, audit and prosecution activities within the case management system, including activities associated with AIS and CFS's.*
- *DoT has established an Education Enforcement Enhancement Group (EEEG) to promote consistent compliance practices across DoT and ensuring that compliance staff is appropriately skilled. The EEG is currently working with a Registered Training Organisation to roll out Certificate IV in Compliance and Certificate IV in Government Investigations to all staff involved in compliance across the various business units of DoT. While many staff already hold these qualifications or similar qualification it is intended that up to 100 DoT staff will complete the courses.*
- *DoT has also developed and implemented a Prosecutions and Enforcement policy as a measure to providing consistent compliance practices and in the education of stakeholders.*
- *DoT has implemented the 'Alert Us' telephone line and email box to enable members of the public and other stakeholders to report suspicious, unethical or corrupt behaviour relating to a driver, a vehicle or a person's identity.*
- *A statement of business ethics has been developed by DVS Governance and its focus is to educate external service providers in their obligations and responsibilities to DoT and the service standard expected.*

- *Targeted Audits - In addressing AIS vehicle inspection issues the DoT is now as a matter of course directing the owners of vehicles to present their vehicle for inspection where there is a reasonable level of suspicion about quality of the vehicle inspection. The requirement is supported by legislation, and where the owner does not comply or refuses to comply, the DoT has recourse to cancel the vehicle licence. In cases where a vehicle is suspected of having significant defect DoT Compliance Officers seek to locate the vehicle and conduct a vehicle inspection and in the event that it is unroadworthy the vehicle is issued a defect notice.*
- *Risk analytics - DoT continues to develop its risk analytics capability and now gathers information from social media to support its compliance activities and as a means to determine potential contractual non-compliance and conflict of interest factors. In addition some analytics reports are now automated and this has provided for a built-in integrity measure by minimising the risk that the regular production of reports could be interfered with.*

DoT's risk analytics program is now being extended to other operational business units of DoT including On Demand Transport and Marine Safety. This will allow intelligence to be captured and cross-referenced from a wider range of sources.

Response to Report on Corruption in Respect of Truck Driving Licence Applications

Mines West Truck Driving School (MWTDS) - In response to the MWTDS matter of 2017, the DoT is considering a number of improvements to its contractual and compliance abilities over Authorised Providers (AP) who are contracted to deliver heavy vehicle PDA. These considerations include:

- *The fitment of in-cabin recording devices in trucks used for PDA, as a measure to both quality assure the service being provided, and to provide additional oversight on the conduct of a heavy vehicle PDA by an AP.*
- *Expanding the capabilities of the web interface between DoT and the AP to provide for greater clarity in regard to compliance monitoring and recording by DoT Compliance Officers.*
- *Jurisdictional Analysis - A DoT Compliance Officer has recently travelled interstate to assess heavy vehicle PDA compliance methods in New South Wales and Tasmania and to speak with industry stakeholders. A report is currently being compiled on possible compliance enhancements associated with the conduct of PDA by AP and includes legal and logistical issues such as the storage of imagery from in-cabin recording devices, and compliance with privacy principles and State Record Keeping requirements.*
- *Regulatory Amendment - DoT is currently seeking Ministerial endorsement for consideration of regulatory amendment on some eligibility requirements associated with the recognition of overseas driver licences. The endorsement sought takes into account the recommendations made by the CCC in its report on the MWTDS matter.*