



MEDIA STATEMENT

CCC calls for crack down on gifts to public officers

19 December 2013

A Corruption and Crime Commission investigation has found that more than \$1.2 million of IT software was purchased by a former council CEO without going to tender or getting quotes -- over a period in which he received gifts and benefits from the supplier.

The receipt of gifts is permitted under current WA legislation.

In a report tabled in State Parliament today, the Commission has again urged the Government to amend the Local Government Act to significantly tighten rules surrounding the receipt of gifts by public officers.

"A legislative regime that endorses the receipt of gifts and contributions to travel in circumstances where a public officer is engaged in commercial dealings with the gift-giver requires rigorous review," it says.

"The receipt of gifts such as corporate box football tickets by public officers while conducting public business should be prohibited rather than be authorised by the applicable legislation."

The report recommends that the Department of Local Government consider prosecuting Mr James Trail - who was CEO of Kalamunda Shire from 2008 until his dismissal in 2012, and CEO of Augusta-Margaret River Shire for more than four years before that - for failing to declare all the gifts he received in his annual return, as required by the Local Government Act.

The Commission also makes three Opinions of Misconduct against Mr Trail for breaching the trust placed in him as a public officer, including the obligation on public officers to act impartially, without bias or favour.

The investigation tracked Mr Trail's procurement of IT software for both Kalamunda and Augusta-Margaret River Shires from CA Technology Pty Ltd, trading as CAMMS.

It found the Augusta-Margaret River Shire spent \$230,947 in one year buying IT software (including licensing fees, training and implementation) from CAMMS, despite the Council only approving a single purchase for \$60,000. Each contract with CAMMS was signed by Mr Trail on behalf of the Shire. The procurement did not go to tender and no other companies were asked to quote.

At Kalamunda Shire the expenditure on CAMMS products continued with the Council spending just over \$1 million from late 2008 to September 2012 despite only a single Council approval being sought for around \$200,000. All of the contracts were signed by Mr Trail on behalf of Kalamunda Shire. The procurement again did not go to tender and no other companies were asked to quote.

From 2006 to 2012 Mr Trail received gifts from CAMMS including interstate and overseas travel, tickets to football and cricket matches in Australia and overseas, including cricket at Lords, and payment for golf played by Mr Trail in Dubai and the UK.

As well as examining Mr Trail's activities, the Commission investigation and report is intended to assist all government entities to identify critical risks and issues that can arise with the purchase of IT software.

The WA public sector spends about \$4 billion a year on goods and services and about \$800 million of that - or one dollar in every five - is spent on IT goods and services.

Media Contact: Amanda O'Brien, Manager Communications
(08) 9215 4802 or 0428 293 420