

41ST PARLIAMENT



Joint Standing Committee on the  
Corruption and Crime Commission

Report 12

GOING ROGUE: SERIOUS MISCONDUCT BY A COMMISSION OFFICER

*Parliamentary Inspector's report*

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Presented by

Mr M. Hughes, MLA and Hon Dr S.C. Thomas, MLC

March 2024

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**Joint Standing Committee on the Corruption  
and Crime Commission**

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**Going rogue: serious misconduct  
by a commission officer**

**Parliamentary Inspector's report**

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**Report 12**

Presented by

**Mr M. Hughes MLA and Hon Dr S.C. Thomas MLC**

Laid on the Table of the Legislative Assembly and Legislative Council on  
21 March 2024



## Chair's foreword

**M**atthew Zilko SC, the Parliamentary Inspector of the Corruption and Crime Commission, has found that an officer of the Corruption and Crime Commission, its Human Source Coordinator and manager of the Human Source Team, engaged in serious misconduct. This report attaches the report by the Parliamentary Inspector.

The Parliamentary Inspector found that between early 2020 and early 2023, the officer corruptly used her position as Human Source Coordinator at the commission to obtain a personal benefit, namely, an extensive and intimate relationship with one of the commission's human sources. Other findings by the Parliamentary Inspector are noted in his report. The commission has dismissed the officer.

The officer's conduct was extremely serious, potentially dangerous and involved a gross breach of trust. The officer abused both her position as Human Source Coordinator and the manager of the Human Source Team, and the extraordinary powers given to the commission to undertake its work. The officer deceived the commission, exposed others to potential harm by revealing official information obtained through her work, and neglected to responsibly perform her job. The public has the right to expect the highest standards from officers in powerful positions.

While it could be said that the officer did 'go rogue', and her line manager's supervision was inadequate, the investigation exposes serious weaknesses in how the commission managed its misconduct risks and Human Source Team, and raises questions regarding the effectiveness of that team. As the peak integrity agency, it should set an example.

The commission unreservedly accepts that system failure contributed to the climate in which the officer's deception was possible and continued over a long period of time. It has initiated an independent review.

This committee will oversight how the commission responds to this misconduct during this 41<sup>st</sup> Parliament. The committee recommends (among other recommendations) that the commission, by 30 September 2024, provide the committee with its independent review and a report on its action plan and actions it has taken to minimise its misconduct risks.

As the committee stated in its Report 11, *What happens next? Beyond a finding of serious misconduct: Examining the responses to a finding of serious misconduct and building integrity in the public agencies*, tabled in November 2023, public agencies should be accountable and transparent in how they respond to misconduct events. This standard must apply to the commission.



MR M. HUGHES, MLA  
CHAIR



# Contents

|                      |     |
|----------------------|-----|
| Chair's foreword     | i   |
| Ministerial response | v   |
| Recommendations      | vii |

## Going rogue: Parliamentary Inspector's report

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|  |   |
|--|---|
| Introduction   | 1 |
| A commission officer engaged in serious misconduct                             | 2 |
| The conduct of the officer   | 2 |
| The investigation process  | 5 |
| The commission's management of its misconduct risks, and the Human Source Team | 6 |
| The commission's management of its serious misconduct risks                    | 6 |
| The Human Source Team  | 8 |
| What happens next? The commission's response                                   | 9 |

## Appendices

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|   |    |
|---|----|
| 1 Parliamentary Inspector's report                | 11 |
| 2 Letter from the Corruption and Crime Commission | 27 |





## **Ministerial response**

In accordance with Standing Order 277(1) of the Standing Orders of the Legislative Assembly, the Joint Standing Committee on the Corruption and Crime Commission directs that the Attorney General and Minister for Police report to the Assembly as to the action, if any, proposed to be taken by the government and Western Australia Police Force with respect to the recommendation of the committee. This Government Response should also include or attach the response of the Corruption and Crime Commission to recommendations in this report.



# Recommendations

## **Recommendation 1**

**Page 5**

That the Western Australia Police Force consider whether to prosecute the former officer of the commission the subject of the Parliamentary Inspector's report.

## **Recommendation 2**

**Page 6**

That the Attorney General examine whether there is a need to provide the Parliamentary Inspector with more resources or legal or other options to deal with misconduct on the part of the commission or its officers, particularly sensitive and resource intensive matters. The Attorney General should discuss the above with the Parliamentary Inspector.

## **Recommendation 3**

**Page 9**

That the Corruption and Crime Commission considers the work of its Human Source Team, and whether this service adds value to the commission's investigative work, and whether the team should be retained or this service delivered in another way.

## **Recommendation 4**

**Page 10**

That the Corruption and Crime Commission provide the Joint Standing Committee on the Corruption and Crime Commission a copy of its independent review identifying the circumstances that led to the misconduct of the officer occurring, and a report on the commission's plan of action and action taken to minimise misconduct risks at the commission.

The committee requests the above by 30 September 2024. The committee will report to Parliament.



# Going rogue: serious misconduct by a commission officer – Parliamentary Inspector’s report

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## Introduction

The Corruption and Crime Commission (commission), the State’s peak integrity agency responsible for exposing and overseeing corruption by public officers, should set the example on how public officers should carry out their duties.<sup>1</sup> The commission should also set an example on how public agencies actively manage their misconduct risks.

The Parliament has conferred extraordinary powers on the commission to undertake its important work, including its serious misconduct function and organised crime powers.<sup>2</sup> The public has the right to expect the highest standard of behaviour from officers entrusted with these extraordinary powers.

The commission may enter into formal arrangements with people who want to provide ongoing intelligence regarding crime or corruption, for the purposes of obtaining or facilitating the obtaining of evidence. These individuals are described as human sources (and are sometimes called informants). Commission officers may adopt assumed identities to help them carry out their duties.<sup>3</sup>

Matthew Zilko SC, the Parliamentary Inspector of the Corruption and Crime Commission (Parliamentary Inspector), has found that the Human Source Coordinator, and manager of the Human Source Team at the commission, engaged in serious misconduct and corruptly used her position over 3 years.

The Parliamentary Inspector’s findings are set out below, and in the Parliamentary Inspector’s report *Going rogue: serious misconduct by a commission officer*. This important report is attached at appendix 1. A letter from the commission responding to the report is attached at appendix 2. The Parliamentary Inspector decided not to name the officer, referring to her by her initials ‘LC’ and the human source as ‘X’. In this report we refer to her as ‘the officer’ and to ‘X’ as ‘the human source’.

Due to the nature of the officer’s role and human source risks, publicly revealing misconduct in this area involves a degree of discretion.

On 21 February 2024, the Parliamentary Inspector and the Commissioner of the commission, the Hon John McKechnie AO KC (Commissioner McKechnie), and senior officers, briefed the

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1 The commission’s jurisdiction is to deal with ‘serious misconduct’ by a public officer at a State agency. Under section 3 of the *Corruption, Crime and Misconduct Act 2003*, ‘serious misconduct’ is defined to mean conduct described in sections 4(a)–(c) and includes corruption and police misconduct.

2 For example, the powers in Parts 4, 6 and 7 of the *Corruption, Crime and Misconduct Act 2003*.

3 Appendix 1, p 2, paras 2, 3. *Corruption, Crime and Misconduct Act 2003*, Part 6, Divs 3 and 4, s 103 (approval of assumed identities). Also, under section 121 the commission may authorise a controlled operation, which authorises a person to engage in activity which would otherwise be unlawful.

committee about this matter. The committee held a further briefing with the Parliamentary Inspector and his Principal Advisor on 18 March 2024. These discussions remain confidential.

The committee considers that the egregious breach of trust evident in the officer's relationship with the human source constituted a significant risk to the work of the commission.

The committee wants to emphasise that while it could be said that the officer did 'go rogue', her conduct raises important questions about the commission's management of the officer, its Human Source Team, and its misconduct risks for well over 3 years. The officer's conduct also raises questions about the effectiveness of the Human Source Team.

Understandably, the Parliamentary Inspector's report focuses on the investigation of the allegation of misconduct against the commission officer. A substantial review and analysis of why the breaches of policies and procedures occurred is being undertaken.

### **A commission officer engaged in serious misconduct**

A function of the Parliamentary Inspector is to deal with matters of misconduct on the part of the commission and officers of the commission.<sup>4</sup> Under the *Corruption, Crime and Misconduct Act 2003* (CCM Act), the Parliamentary Inspector 'has the power to do all things necessary or convenient for the performance of the Parliamentary Inspector's functions.'<sup>5</sup>

On 27 January 2023, the commission notified the Parliamentary Inspector of the allegation against the officer.<sup>6</sup> The commission must notify the Parliamentary Inspector when it receives an allegation about an officer at the commission.<sup>7</sup>

The allegation was investigated. The investigation process is discussed further below.

#### **The conduct of the officer**

From the commencement of the commission's engagement of the human source in November 2018, the officer breached the protocols required when handling a human source which were established to guard against the commission's relationship with a human source 'going wrong'.<sup>8</sup>

The Human Source Coordinator is meant to supervise, guide and oversee human source handlers to manage the relationship between the handler and a human source. The Human

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4 *Corruption, Crime and Misconduct Act 2003*, s 195(1)(b).

5 *Corruption, Crime and Misconduct Act 2003*, s 196(2).

6 Appendix 2, p 1.

7 *Corruption, Crime and Misconduct Act 2003*, s 196(4). This section also provides that 'the Parliamentary Inspector may review the Commission's acts and proceedings with respect to its consideration of such an allegation'. It is not uncommon for the commission to notify the Parliamentary Inspector about complaints against its officers. For example, in 2022–23 the commission notified the Inspector of 63 allegations under their joint protocol. The Inspector said this number was not a cause of concern given the commission's practice of reporting even trivial claims against its officers. Many of these allegations reflect personal disappointment or disagreement with the outcome of the allegation, with the bulk of allegations requiring no action by the Inspector: Parliamentary Inspector of the Corruption and Crime Commission, *Annual Report 2022–2023*, pp 5–6.

8 To use the words of a member of the Human Source Team: appendix 1, p 4, para 17.

Source Coordinator was the coordinator and sole handler of the human source contrary to policies and procedures governing the work of the Human Source Team. As the Parliamentary Inspector said, the importance of the delineation between coordinator and handler ‘should not be understated.’<sup>9</sup>

The officer then repeatedly and wilfully breached the commission’s policies, procedures and Code of Conduct in how she dealt with the human source.<sup>10</sup>

The Parliamentary Inspector’s report gives examples of the extent and nature of the officer’s unacceptable conduct with the human source, and her deception of the commission.

For example:

- The officer’s level of contact with the human source was ‘extreme’ – between October 2018 and March 2023 there were 1,905 audio messages and 7,413 phone calls.<sup>11</sup>
- In 2022 the officer spoke to the human source for 437 hours, recording only 28 hours. (The officer was required to record all conversations.)<sup>12</sup> Between 3 January 2019 and 13 March 2023 the officer recorded only 30% of her telephone conversations with the human source.<sup>13</sup>
- The officer gave the human source the first names of 3 commission officers including a member of the human source team with an assumed identity. (This conduct is the basis of finding 3 below.)
- On 3 occasions the officer disclosed intelligence reports to the human source, without the required authorisation to do so.<sup>14</sup> (This conduct is the basis of finding 4.) The first disclosure being information from another human source, the other 2 being information about possible serious misconduct received from a contact in a government department.
- On one occasion, the officer gave the name of the person who was believed to have made an anonymous report of corruption, despite the complainant having stressed that they wanted to remain anonymous and made the complaint ‘at great risk’ to themselves. The department advised the officer of the presumed identity of the person, after she requested this information.<sup>15</sup> (This conduct is the basis of finding 5.)
- In March 2020 the officer left a message for the human source that included information about her sexual history.<sup>16</sup> The officer accepted that by early 2021 the relationship had evolved into an ‘intimate relationship’.<sup>17</sup> In February 2021 the human source left a message that was sexually explicit and ended saying ‘I miss you, I love you, I can’t wait to talk to you’.<sup>18</sup>

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9 Appendix 1, p 5, para 24.

10 Appendix 1, p 2, para 4.

11 Appendix 1, p 7, para 36.

12 Appendix 1, p 10, para 57.

13 Appendix 1, p 9, para 55.

14 Appendix 1, p 12, para 73.

15 *ibid*, paras 76, 77.

16 Appendix 1, p 7, para 41.

17 Appendix 1, p 8, para 42.

18 *ibid*, para 41.

The Parliamentary Inspector made the following findings of serious misconduct:<sup>19</sup>

1. Between early 2021 and early 2023 the officer corruptly used her position as Human Source Coordinator with the commission, and the resources provided to her in carrying out this role, to obtain a personal benefit: an extensive and intimate relationship with one of the commission's human sources.
2. In pursuing this relationship, the officer took multiple steps to deceive the commission, including adopting a pseudonym and failing to record all of her interactions with the human source.
3. On or before 8 May 2021, the officer provided the first names of 3 commission officers to a human source without their consent in circumstances where this knowledge had the propensity to fully identify them.
4. On 1 July 2021, 18 August 2021 and 20 December 2022, the officer disclosed official information to a human source without seeking authorisation to do so.
5. On one of these occasions, on 18 August 2021, the officer also informed the human source of the name and location of a person who had made an anonymous allegation to the commission, again without obtaining authorisation to do so.

The commission dismissed the officer.

In the committee's view, the officer's conduct was extremely serious, potentially dangerous, and involved a gross breach of trust. The officer's personal circumstances, emotional involvement and 'strong feelings'<sup>20</sup> for the human source do not excuse her conduct. Her conduct exposed others to a real possibility of harm. In the committee's view, it is only fortunate that her actions 'did not lead to lasting harm'.<sup>21</sup>

It could be argued that this case demonstrates that the system works – an allegation was referred to the Parliamentary Inspector, he investigated and decided to report on the matter, and action was taken against the officer. It could also be said that it demonstrates that the commission and its officers are not above the law, and are not immune from the consequences of misconduct. While the above is true, this case also exposed inadequacies in the commission's management of its misconduct risks (discussed below).

The Parliamentary Inspector has not formally recommended the bringing of criminal proceedings against the officer as 'this is a matter for WA Police.'<sup>22</sup> It is important to note that a finding of misconduct is not to be taken as a finding that a person is guilty of a criminal offence.<sup>23</sup> The CCM Act empowers the Parliamentary Inspector and commission to recommend that *consideration* should be given to the prosecution of a particular person.<sup>24</sup> The commission regularly makes such recommendations in its tabled reports.

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19 Appendix 1, p 14, para 90.

20 Appendix 1, p 7, para 38.

21 Appendix 2, p 2.

22 Appendix 1, p 15, para 91.

23 Section 217A(3) of the *Corruption, Crime and Misconduct Act 2003* says this in relation to findings by the commission or Public Sector Commissioner.

24 *Corruption, Crime and Misconduct Act 2003*, s 43(1) (commission), s 196(3)(g) (Parliamentary Inspector).



Given the seriousness of the misconduct, the committee would expect WA Police to *consider* whether to prosecute the officer on appropriate charge/s.<sup>25</sup> The committee's preference is to make a formal recommendation to do so. Whether to prefer charge/s is entirely the decision of the prosecuting authority. It is for them to assess if there are reasonable prospects of successfully proving an offence/s beyond reasonable doubt, and if it is in the public interest to prosecute.

#### **Recommendation 1**

That the Western Australia Police Force consider whether to prosecute the former officer of the commission the subject of the Parliamentary Inspector's report.

#### **The investigation process**

The commission, in close cooperation with the Parliamentary Inspector, investigated misconduct by the officer.<sup>26</sup> The Parliamentary Inspector vetted and approved each commission officer involved in the investigation, attended examinations and was given access to all evidence, and oversighted the investigation.<sup>27</sup> The Inspector had the power to take over the investigation, which he could exercise at any time if he had concerns about its rigor and impartiality.

It is important to note that the Office of the Parliamentary Inspector comprises 2 officers – the Parliamentary Inspector and his Principal Advisor – with financial and administrative support services provided by the Department of Justice. This investigation was very resource intensive, involving extensive analysis of data, interviews and compulsory examinations with witnesses about conduct that occurred over a period in excess of 3 years.<sup>28</sup>

At the close of the investigation, the Parliamentary Inspector formally removed the investigation from the commission to finalise and determine the matter independently of the commission.<sup>29</sup> As the commission states, this was due to the commission's obvious conflict of interest.<sup>30</sup>

Criticism of a real, or perceived, conflict of interest in investigating one's own employees' misconduct is not uncommon, and is often directed at the WA Police investigating police officers. As the commission noted in its submission to the committee's *What Happens Next* inquiry, agencies investigating their own officers have an inherent conflict of interest.<sup>31</sup>

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25 The report notes that the unauthorised disclosure of official information carries a maximum penalty of 3 years imprisonment and a fine of \$60,000 (CCM Act, s 152(2)(b)). Other offences may apply. It is assumed that WA Police are the relevant prosecuting authority and will refer the matter if necessary. The conduct may not constitute an offence dealt with by the State Solicitor's Office (SSO).

26 Appendix 2, p 1.

27 *ibid*, and appendix 1, p 3, para 10.

28 Appendix 1, p 3, para 9.

29 Appendix 1, p 3, para 11. Under section 196(5) of the *Corruption, Crime and Misconduct Act 2003* the Parliamentary Inspector may notify the commission that a matter has been removed to the Inspector for consideration and determination.

30 Appendix 2, p 2.

31 The commission said that '[o]ngoing external oversight of internal investigations is an important tool in ensuring that agencies appropriately manage these risks.' Submission 7 to the committee's *What Happens Next* inquiry, Corruption and Crime Commission, p 3.

It is also very common for public agencies to investigate misconduct by their officers, and for the commission to oversight agencies. An agency investigating misconduct enables it to examine the nature of the misconduct, identify misconduct risks, and prevent misconduct by taking action to minimise misconduct risks.

The committee takes no issue with how this particular matter was investigated. However, this investigation raises questions as to whether the Parliamentary Inspector should have more resources and options available when deciding how to deal with sensitive and resource intensive investigations into the commission and its officers.<sup>32</sup> This includes whether new resource arrangements or legislation (in the new Act) may assist the Inspector.

#### **Recommendation 2**

That the Attorney General examine whether there is a need to provide the Parliamentary Inspector with more resources or legal or other options to deal with misconduct on the part of the commission or its officers, particularly sensitive and resource intensive matters. The Attorney General should discuss the above with the Parliamentary Inspector.

### **The commission's management of its misconduct risks, and the Human Source Team**

#### **The commission's management of its serious misconduct risks**

An important function of the committee is to monitor and report to Parliament on the exercise of the functions of the Corruption and Crime Commission.

The commission, like all public agencies, is responsible for its integrity and managing its misconduct risks; and needs to be vigilant and proactive in taking action to prevent misconduct by minimising misconduct risks. We acknowledge that no agency that improves its integrity can claim this will prevent all misconduct in the future. What is required is constant vigilance.

*The Commission itself must accept that failure within its systems contributed to a climate in which LC's deception was not only possible but was perpetrated over a prolonged period.*

*Parliamentary Inspector of the  
Corruption and Crime Commission*

The committee does not doubt that supervising a human source team is challenging. The recent Royal Commission into the use of a human source by Victoria Police observed, in the context of police human source work, that human source management is a high-risk activity, and supervision should be 'intrusive.'<sup>33</sup>

32 The CCM Act permits the Parliamentary Inspector to second or engage any officer or employee in the Public Service, a State agency or otherwise in the service of the State, or members of police forces: *Corruption, Crime and Misconduct Act 2003*, s 212.

33 Government of Victoria, Royal Commission into the Management of Police Informants: An inquiry into Victoria Police's use of Nicola Gobbo as a human source, *Final report: summary and recommendations*, November 2020, Chapter 12, pp 94, 103, 115. The Parliamentary Inspector refers to this report in his report, appendix 1, p 5.

The Parliamentary Inspector's report includes surprising and concerning comments about the commission's failures:

- The officer, contrary to established protocols, was both the Human Source Coordinator and handler of the human source from November 2018 (well before the 'serious misconduct' period and only 5 months after the officer was appointed as coordinator). No secondary handler was appointed.<sup>34</sup> This failure was not evidently identified or acted upon by senior management for over 4 years.
- The officer's supervision by her manager was, the Inspector says, 'obviously deficient' and he was not adequately fulfilling the Human Source Registrar role. Importantly, this 'does not appear to have become apparent to other senior commission officers until early 2023'. The supervisor had responsibility for 5 different work areas and gave evidence that he was confident in the officer's abilities and trusted her.<sup>35</sup>
- On the lack of supervision, the Parliamentary Inspector says '[t]here appears to have been an almost total absence of cross-checking of LC's records and activities with [the human source] by other Commission officers, particularly her immediate supervisor'. The Inspector adds that '[o]ne might have expected [her immediate supervisor], or another senior officer, to have checked what LC had been doing, with not only [the human source] but other Human Sources, on at least a monthly basis', especially as she was the human source handler and coordinator of the team.<sup>36</sup>

This case raises many concerning questions about the management of the officer and her team. How was the officer's blatant breach of procedures she wrote, for example, by being the supervisor and only handler for the source, not detected for well over 4 years? It is evident she was able to manipulate the lax oversight very early on in this role. Also, how did the officer become the human source's handler? Why wasn't the serious misconduct detected for over 3 years? And if the supervisor was negligent for so many years, how did senior management not identify this? Were 'red flags' ignored?

Although the commission accepts responsibility for its failures (see pull quote), the committee is uncomfortable with the commission's narrative that the 'mendacity of the officer and the neglect of her supervisor were the principal reasons for the breach of procedures'.<sup>37</sup> Delineating 'principal' and other reasons for misconduct minimises the responsibility of senior management, and managers of the supervisor.

***The Commission unreservedly accepts that failure within its systems contributed to a climate in which the officer's deception was not only possible but was perpetuated over a long period.***

*Commissioner Hon John McKechnie AO KC,  
Corruption and Crime Commission*

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34 Appendix 1, p 5, para 25; p 6, paras 28–29.

35 Appendix 1, p 13, paras 83–86.

36 Appendix 1, p 11, para 64.

37 Appendix 2, p 2.

The Parliamentary Inspector recommended:

That the Commission undertake a full internal inquiry into how so many breaches of Policy, Procedure and the Code of Conduct were allowed to take place in its Human Source Team, uninterrupted and unidentified, for such a long period of time.

That the Commission report to the Parliament by the end of this calendar year as to the outcomes of that inquiry and the procedural changes it proposes to adopt as a result before it recommences using Human Sources in any of its operations.<sup>38</sup>

The commission accepts these recommendation (see below).<sup>39</sup>

That the officer's misconduct occurred and the commission did not detect it for 4 years, and 'serious misconduct' occurred over 3 years, will no doubt cause reputational damage to the commission. It is also evident that the officer wilfully betrayed committed and dedicated officers at the commission.

### The Human Source Team

The Parliamentary Inspector's report includes comments that, in the committee's view, raise questions about the effectiveness of the Human Sources Team. For example:

- The Human Source Registrar, back in July 2020, expressed concern that the team produced 'limited tangible outcomes' (see pull quote).
- The officer described her leadership of the human sources team as 'fractured'.<sup>40</sup> Another officer said the team was not 'a functional space'.<sup>41</sup>
- The officer's 'extreme' level of contact with the human source (noted above) for personal reasons suggests that she was wasting resources and, to put it simply, not doing her job.

*It appears that there was some disquiet within the Commission about LC's [the officer's] handling of X [the human source]. As early as 9 July 2020, A [her supervisor] emailed LC and other officers to express 'some concerns that we are investing a lot of energy and resources for what might be seen as limited tangible outcomes'.*

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*Parliamentary Inspector of the  
Corruption and Crime Commission*

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It is disturbing that the officer's misconduct continued over many years in the Human Source Team, where officers deal with highly sensitive information, may endanger others, and are at risk of being corrupted for a raft of reasons.

The commission suspended human source related activity from 27 January 2023.<sup>42</sup> Commissioner McKechnie says human source activities 'can be a potent investigative tool.'<sup>43</sup>

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38 Appendix 1, p 15, para 93.

39 Appendix 2, p 2.

40 Appendix 1, p 6, para 31.

41 Appendix 1, p 11, para 66.

42 Appendix 2, p 1.

43 *ibid*, p 2.

The committee expects the commission to carefully consider if human sources and this team adds value to the commission's investigative work, and if the team should be retained or this service delivered in another way. This, plainly, is a decision for the commission.

### Recommendation 3

That the Corruption and Crime Commission considers the work of its Human Source Team, and whether this service adds value to the commission's investigative work, and whether the team should be retained or this service delivered in another way.

### What happens next? The commission's response

What happens next is important. Lessons must be learned from misconduct events. This is a crucial aspect of any serious misconduct finding.

The commission has engaged an independent expert 'to identify the circumstances that led to the conduct occurring and how it took place without being detected for a significant period of time'.<sup>44</sup> We note that while the 'serious misconduct' took place over a 3 year period, the conditions that permitted misconduct to occur and flourish were created earlier, with breaches of policies and procedures established to mitigate against such an occurrence.

The commission's review, which commenced on 26 February 2024, will focus on:

- governance and reporting mechanisms
- capability management
- leadership and culture.<sup>45</sup>

The commission advised that it intends to report to the committee before the end of 2024 'on the results of the review.'<sup>46</sup>

It is positive that the review will focus on culture. As the committee said in its recent *What Happens Next* report, agency integrity requires more than establishing systems and processes. While a robust misconduct control system with appropriate prevention and detection processes can reduce the risk of misconduct, committing to continually developing an integrity culture and 'speak-up' culture is essential.<sup>47</sup> And, as Commissioner McKechnie told this committee during its *What Happens Next* inquiry, in his experience:

most of the reports that I have authored and, I think, [the Acting Commissioner] has authored, the policies and procedures of the organisation look fine. They are great on paper; they have all sorts of checks and balances and so forth. For various reasons, nobody has bothered to enforce them or anything.<sup>48</sup>

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44 *ibid.*

45 *ibid.*

46 *ibid.*

47 Joint Standing Committee on the Corruption and Crime Commission, *What happens next? Beyond a finding of serious misconduct: Examining the responses to a finding of serious misconduct and building integrity in the public agencies*, Report 11, November 2023, p 99.

48 The Hon John McKechnie KC, Commissioner, Corruption and Crime Commission, *transcript of evidence*, 15 August 2022, p 12.

The committee emphasised in its *What Happen Next* report that all public agencies should be accountable and transparent about how they respond to tabled reports disclosing misconduct.<sup>49</sup> We intend to apply this standard to the response of the commission.

In the recommendation below, the committee recommends that the commission provides a copy of the independent review, not only a report 'on the results of the review', to the committee, and also report to the committee on its action plan and action the commission has taken to minimise misconduct risks. And we ask for the above by 30 September 2024 (not the end of the calendar year). This will give the committee an opportunity to evaluate the report/s and commission's response, which will include a hearing with the commission, and table the commission's report/s and our report in Parliament before Parliament rises for the final time in this 41<sup>st</sup> Parliament.

The recommended degree of accountability and transparency is not less than what public agencies in this State must provide the commission when the commission recommends (in a tabled report) that a public agency take action to reduce misconduct risks. The commission evaluates the agency's response in 12 months to ensure that the agency implements positive change, and continues to report to Parliament on the agency's implementation of recommendation/s until finalised.<sup>50</sup>

#### Recommendation 4

That the Corruption and Crime Commission provide the Joint Standing Committee on the Corruption and Crime Commission a copy of its independent review identifying the circumstances that led to the misconduct of the officer occurring, and a report on the commission's plan of action and action taken to minimise misconduct risks at the commission.

The committee requests the above by 30 September 2024. The committee will report to Parliament.



MR M. HUGHES, MLA  
CHAIR

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49 Joint Standing Committee on the Corruption and Crime Commission, *What happens next? Beyond a finding of serious misconduct: Examining the responses to a finding of serious misconduct and building integrity in the public agencies*, Report 11, November 2023, recommendations 18 and 19, pp 90–91.

50 Corruption and Crime Commission, *Annual Report 2021–22*, p 28. This is discussed the Report 11 at pp 83–85. The recommended level of accountability is also not less than what every public agency the subject of a recommendation by the Independent Commission Against Corruption (NSW) must provide. They must report to ICAC on its plan of action to reduce the likelihood of misconduct, and its implementation of that plan, within 3 months of the recommendation and every 12 months until the plan is implemented fully. The ICAC publishes these responses: *Independent Commission Against Corruption Act 1988* (NSW), s 111E, copied at page 88 of Report 11.

## **Appendix 1**

Parliamentary Inspector's report

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### **REPORT ON A MATTER AFFECTING THE CORRUPTION AND CRIME COMMISSION**

#### **GOING ROGUE: SERIOUS MISCONDUCT BY A COMMISSION OFFICER**

Sections 199 and 201 of the *Corruption, Crime and Misconduct Act 2003* (WA)

## Executive Summary

1. In essence, this report outlines serious misconduct engaged in by an officer of the Corruption and Crime Commission (Commission) during her tenure.
2. The *Corruption, Crime and Misconduct Act 2003* (CCM Act) provides that the Commission may receive, initiate, investigate, and otherwise act upon allegations of serious misconduct by Western Australian public officers.<sup>1</sup> To enable the Commission to carry out this and other functions, it has a range of extraordinary powers. For instance, its officers can adopt assumed identities to help them fulfil the Commission's functions<sup>2</sup> and can carry out controlled operations<sup>3</sup> which allow them to engage in conduct that would otherwise be criminal.<sup>4</sup> Participants in controlled operations can also include ordinary civilians who are recruited to assist the Commission.
3. Like other integrity and law-enforcement bodies, the Commission can also enter into formal arrangements with men and women who wish to provide ongoing intelligence regarding crime or corruption by public officers. These individuals are described as Human Sources. Their recruitment and the Commission's subsequent dealings with them are explained later in this report. Some Human Sources will be public officers themselves, providing intelligence about their colleagues. Others will be ordinary members of the public who find themselves privy to information about potential or actual corruption in the public sector.
4. At the heart of this report is a story of repeated and wilful breaches of the Commission's policies, procedures, and Code of Conduct by one of its officers in her dealings with a Human Source. Given the obvious importance of preserving the anonymity of the Commission's Human Sources, this report refers to him only as X.
5. I have devoted some considerable attention to the question of whether to name the former Commission officer who is the subject of this report. On one view, she ought to be fully identified, given that it is the Commission's practice to name all individuals found to have engaged in serious misconduct. Initially, that was the course I proposed to take. Ultimately, having considered representations made by the former Commission officer's lawyers and her psychologist, I have determined to refer to her simply using her initials, which are LC.
6. I am satisfied that this is not a situation where there has been widespread or systemic misconduct within an organisation. Rather, it is a story of one officer who has gone rogue. However, the Commission itself must accept that failures within its systems contributed to a climate in which LC's deception was not only possible but was perpetrated over a prolonged period.

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<sup>1</sup> See CCM Act section 18.

<sup>2</sup> CCM Act, Part 6, Division 3.

<sup>3</sup> CCM Act, Part 6, Division 4.

<sup>4</sup> CCM Act section 128.



## Background

7. LC began working at the Commission in 2007. From 21 June 2018 she was employed as its Human Source Coordinator, a role which she had previously fulfilled in an acting capacity. Her contract of employment included prohibitions on disclosing information acquired by her by reason of her employment and outlined her duty of fidelity and good faith to the Commission.
8. In January 2023 the Commission became aware of possible breaches of policy and procedure in relation to Human Sources. I was notified of the matter pursuant to section 196(4) of the CCM Act, which requires the Commission to inform me whenever it receives an allegation that concerns one of its officers.
9. Within the Commission, all Human Source related activity was suspended from 17 January 2023 while an audit was carried out. In February 2023 the Commission determined that it was necessary to conduct an investigation into possible serious misconduct by LC. The investigation required extensive analysis of internal data and included interviews with relevant witnesses and compulsory examinations of LC and several other individuals.
10. As one of my functions is to deal with matters of misconduct on the part of the Commission or its officers,<sup>5</sup> I attended the compulsory examinations referred to above and I was given full access to all exhibits and transcripts of evidence. Although I was empowered from the outset to handle the matter myself should I choose to do so, I had no concerns regarding the Commission's ability to conduct a fair and impartial investigation into one of its former officers<sup>6</sup> and was content to oversee the investigation rather than conducting it personally.
11. Nevertheless, I decided that in order to avoid any perception of bias on the part of the Commission, I would remove the matter to my own office and make my own findings at the close of the investigation in accordance with section 196(5) of the CCM Act.
12. The investigation was completed by 24 November 2023. On 28 November 2023 I wrote to the Commission to formally remove the matter to my office for determination. The Commission cooperated fully with my request, provided me with the materials I needed, and agreed that any report prepared by me should be tabled in the Parliament in the interests of transparency.
13. Section 200 of the CCM Act provides that before reporting any matters adverse to a person or body, I must accord them a reasonable opportunity to make representations to me concerning those matters. Therefore, when I had completed a full draft of my report, it was sent to the Commission, LC's lawyers, the Commission's former Human Source Registrar (who was LC's supervisor), and X's lawyers. I have given due consideration to the submissions I received in response, and these are reflected in this report where appropriate.

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<sup>5</sup> CCM Act section 195(1)(b).

<sup>6</sup> LC resigned in March 2023 but was dismissed a day before her resignation was to take effect.

### **Relevant Policy and Procedure**

14. In the Commission's earlier years, Human Source activity was conducted in an ad hoc manner where it was required for a specific operation. From mid-2017, however, a dedicated Human Source Team was established. LC was instrumental in creating this unit and formulating the Human Source Management Policy (Policy) and the Commission Procedure: Human Source Management (Procedure).
15. The Policy provides that Human Sources are 'a corporate resource of the Commission and are not the "asset" of any individual officer' and that the Commission 'will manage risks associated with Human Source Management in order to protect the safety and welfare of Commission officers and of the Human Source, ensure the integrity of operations and protect the professional reputation of the Commission'.
16. The Procedure establishes a hierarchy whereby the Human Source Registrar oversees the registration and coordination of Human Sources. At the relevant times, an officer I will refer to as A was the Human Source Registrar. As A is not the subject of any findings of serious misconduct, my report does not identify this officer.
17. Below the Human Source Registrar sits the Human Source Coordinator. Importantly, the position of Human Source Coordinator is separate from, and different to, that of a Human Source Handler. The Human Source Coordinator supervises, guides, and oversees handlers. He or she also manages the relationship between a handler and a source, in the words of a member of the Human Source Team, 'to guard against the relationship going wrong'.
18. The handling team are responsible for 'employing appropriate Human Source tradecraft including the use of assumed identities'. More specifically, the Procedure requires that handlers use an assumed identity at all times when involved in the management of a Human Source, unless the Human Source is already aware of the officer's true identity.
19. The Procedure provides that the team for each potential human source (PHS) is to be determined by the Human Source Coordinator in consultation with the Human Source Team and that handlers will be appointed after consideration has been given to the officers' suitability to handle the particular PHS, including:

previous association with the PHS (if relevant), gender, age, ethnicity, personality traits, common interests, experience, and knowledge of the misconduct/crime type and/or agency the PHS is reporting on
20. The Procedure requires that each handling team be comprised of a Primary Handler, a Secondary Handler, and (if required) an Alternate Handler, and that 'where practical and if required' the Human Source Coordinator will ensure that either the Primary or Secondary Handler is the same sex as the PHS.
21. All contact and dealings with a Human Source, from the time they are registered as a PHS through to their deregistration, must be documented via specific Contact Advice Report templates. The purpose of this requirement is 'to ensure that the Commission and its officers are accountable for all dealings with Human Sources'. Each Contact Advice Report must contain a complete statement of a particular activity or

conversation engaged in by the Human Source Handler and the Human Source on each occasion when they have been in contact.

22. Unsurprisingly, handling Human Sources is a unique and challenging job, which can engender anxiety and stress because of the subterfuge involved. The handler must build a relationship of trust with the Human Source to facilitate the provision of information, while always being conscious that the Human Source's interests and goals may not align with their own. There is a risk that handlers may come to adopt the Human Source's view of the world, or otherwise be manipulated by them. A recent Royal Commission into the use of Human Sources by Victoria Police observed:

Human source management is a high-risk activity, covert and intrusive in nature, requiring police to build professional relationships with criminals, and potentially limiting human rights in order to achieve investigatory outcomes. Each of these factors can increase the risk of police corruption and misconduct.<sup>7</sup>

Although that assessment related specifically to the use of Human Sources by police, analogies can clearly be drawn with the risks for integrity agencies such as the Commission, which are investigating serious misconduct and corruption.

23. Despite being the Human Source Coordinator, LC also handled Human Sources herself, and even gave evidence that 'At one point in time I carried every single [Human Source] for the Commission'. It was not put to her in examination that this assertion was untrue, and in the circumstances, I must assume that it was an accurate statement of the nature of her workload at the Commission. As demonstrated by the events described herein, this arrangement was most unwise.
24. In a nutshell, the importance of the delineation between the Human Source Coordinator and Human Source Handlers should not be understated. The Royal Commission referred to above noted that best practice principles of human source management included supervision and oversight of the handler-source relationship by senior officers.<sup>8</sup> Moreover, the Royal Commission heard evidence that supervision should be 'intrusive' in that it should go beyond box-ticking and involve day-to-day knowledge of a handler's activities to ensure that sources are being appropriately managed.<sup>9</sup>

## Handling X

25. X was registered as a Human Source on 15 November 2018. LC, who had then been in the position of Human Source Coordinator for roughly five months, handled him from that time until 17 January 2023.
26. The story of how LC came to be X's Primary Handler is unclear. LC gave evidence that it had 'never been intended' that she would fulfil this role, but there is no indication that she attempted to decline it on the basis that it was inappropriate for the Human Source Coordinator to also act as a handler.

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<sup>7</sup> *Royal Commission into the Management of Police Informants: An inquiry into Victoria Police's use of Nicola Gobbo as a human source*, Chapter 12, pp. 30-31.

<sup>8</sup> *Royal Commission into the Management of Police Informants*, Chapter 12, p. 19.

<sup>9</sup> *Royal Commission into the Management of Police Informants*, Chapter 12, pp. 48-49.

27. It need hardly be said that the arrangement outlined above was far from optimal, especially because it robbed the handlers of any detached oversight by another officer not involved in the day-to-day activities of the handlers themselves.
28. According to the Procedure, the Secondary Handler for X ought to have been his secondary point of contact, including by assuming the role of Primary Handler whenever LC was unavailable and by accompanying her to any meetings with X. However, LC did not utilise the Secondary Handler for X. She gave evidence that this was because the Secondary Handler was not available, but it is unclear whether this was the case, or whether she simply chose to act alone.
29. Whether or not the Secondary Handler was actually available to assist, it is concerning that a single officer assumed total control of the Commission's relationship with a Human Source. Moreover, this failing was apparently not identified or acted upon by senior management.
30. As noted previously, the Procedure specified that where practical, either the Primary or Secondary Handler should be the same sex as the Human Source. Accordingly, it had initially been proposed that both of X's handlers should be male. However, for reasons which were never adequately explained during the examinations of LC and A, this did not eventuate.
31. To add to the above problems, it does not appear that LC's suitability to be X's handler was evaluated as required by the Procedure, to determine whether her personality traits, experience and knowledge made her an appropriate choice. Had this occurred, it might have been discovered that LC was experiencing significant marital difficulties, was seeing a psychologist to help her communicate with her husband and was 'lonely', both personally and in her leadership of a Human Source Team she later described as 'fractured'.
32. The backstory adopted by LC in interacting with X included representing herself as a woman who had been married but was now divorced; that is, as a single woman. If there had been any evaluation of her suitability to act as a handler for X, the wisdom of the use of this backstory would likely have been queried by senior Commission officers viewing the proposed arrangement objectively and professionally.

### **Modes and Frequency of Communication**

33. Owing to the geographical distance between LC and X, they communicated primarily by telephone, although they also used face-to-face computer programs such as Skype. When she was examined by the Commission, LC was asked why she had adopted this method of communication with X, and she explained that she had wanted them to be able to see each other. She spoke to X alone on these occasions, although they would have been classed as 'meetings' under the Procedure and as such a Secondary Handler should also have been present.
34. X was also able to call a mobile phone that was retained by the Commission in order to provide intelligence. On 11 September 2019 LC obtained permission to take this phone home for the night and returned it the next day. On 19 September 2019 LC again took

the phone home, but this time she retained it. No one in the Commission questioned her retention of the phone, let alone required her to return it.

35. Even when LC was on personal or annual leave, she took the phone with her instead of leaving it with another colleague, as was the ordinary practice in the Human Source Team. Ultimately, LC did not return the phone until she was asked to do so in February 2023, shortly before she was dismissed.
36. Commission data demonstrated that between October 2018 and March 2023 the number of contacts between LC and X was extreme. For instance, during this time there were 1905 audio messages exchanged between X and LC, and 7,413 telephone calls took place between them. Despite this volume of communication only 960 Contact Advice Reports were prepared to document interactions with X.
37. As discussed in this report, the majority of these communications were personal in nature. It is, therefore, tolerably clear that LC made use of Commission resources for her own private purposes and thereby contravened the Code of Conduct.

### **Non-Work Relationship**

38. It is not possible to address the nature and extent of LC's misconduct without explaining that its underlying motivation was her strong feelings for X. During her examination, LC took issue with the description of this relationship as being 'romantic' in nature. She characterised it, instead, as 'more than a source/handler relationship' and gave evidence that she came to rely heavily on X for emotional support.
39. The precise nature of the relationship between LC and X is not my concern as Parliamentary Inspector. I do not seek to define the parameters of the relationship, nor to delve into what might be considered prurient details thereof. My interest in this report is LC's repeated acts of serious misconduct and the Commission's failure, over several years, to scrutinise her conduct and take appropriate action.
40. Most of the telephone calls between LC and X were, contrary to the Procedure, not recorded. However, as outlined below, evidence of their personal interactions was preserved in the form of recorded messages they left for each other.
41. It is difficult to pinpoint when LC first became emotionally involved with X. She initially testified that the relationship had not become 'inappropriate' until late 2021 or early 2022, when she had started to fall in love with him. However, the evidence suggests she had crossed a line much earlier than this. For instance:
  - As early as 16 March 2020 LC left a message for X that included information about her sexual history.
  - One message that LC left for X on 24 June 2020 included her saying 'I often sit back and...marvel at the uniqueness of this', observing that it was 'so rare to have...a first experience at either of our ages', and exclaiming 'I've never...met anyone like you because there's no one like you'.

- By 17 November 2020 LC was recording only excerpts of her telephone conversations with X, and using language in the recorded section to give the impression that the conversation had been shorter than it really was.
  - On 4 February 2021, X left a message for LC which was in part sexually explicit. He ended the message with: 'I miss you, I love you, I can't wait to talk to you'.
  - A message left for LC by X on 8 May 2021 began with 'hello my love'.
42. LC agreed during her examination that while she had thought the relationship had not turned inappropriate until late 2021, she 'got [her] dates wrong'. She ultimately accepted that by the second half of 2020 her bond with X had become unprofessional and by early 2021 it had evolved into an intimate relationship.
43. Referring to a sexually explicit message left for her by X on 15 May 2022, LC agreed that he had 'likely' been responding to a sexual suggestion made by her in a previous message or conversation. The development of her relationship with X was described by her as a 'period of smitteness, excitement'.
44. A recorded message from X on 10 April 2021 referred to the 'new lives together' the two of them would enjoy in the future, when he had ceased to be a Human Source for the Commission. In another message, made on 11 July 2022, X referred to plans he had made for building a house for them to live in. While being examined, LC contended that her conversations with X about these imagined futures were merely 'a fantasy world' and nothing more. However, there is no further information available to me which proves or disproves this proposition.
45. It can readily be inferred that LC lost her objectivity during the course of handling X. Her evidence suggests that her perception of reality became so distorted that she thought of him as a colleague rather than as a Human Source external to the Commission. In her view:
- Him and I were a team...we worked together really well. He was more of a team than what I had from my own boss and my own team.
- By 2022 she saw X as 'part of my life' and 'the most constant connection in my life'. She also suggested that she had become 'an important part of his life'.
46. LC had an assumed identity authorised by the Commissioner for communicating with Human Sources in order to protect her own identity. Despite this, she disclosed personal details about herself, including her first name and maiden name, to X, thus abrogating these protective measures. LC also gave X information about her own family, colleagues and associates, including her sister's name and the full names and photographs of her parents.
47. In turn, X introduced several of his friends and associates to LC. She socialised with them using a pseudonym suggested by X, and over the course of time became friendly enough with them that they exchanged birthday and Christmas gifts. Needless to say, none of these activities were disclosed to the Commission. For LC to refer to her



involvement with X as 'more than a source/handler relationship' (see paragraph [38] above) is, frankly, to significantly understate the true position.

48. As already noted, the Procedure required that assumed identities be used at all times when managing a Human Source. This is to protect the true identities of all the handlers and to preserve the overall integrity of the Human Source Team. However, in a recorded message dated 8 May 2021, X demonstrated that he knew the real first names of three of LC's colleagues at the Commission. One of the relevant officers was a member of the Human Source Team and had their own assumed identity, another was a lawyer handling confidential legal issues for the Commission, and the third was a member of the Commission's Operations Team.
49. The only way X could have learned of the real first names of these three officers was through LC. When asked why she had given X this information, the only answer LC was able to provide, despite its obvious inadequacy, was that she had done so because the officers concerned were 'part of my life'. There seems to have been no insight by her into the risks inherent in disclosing the names of these Commission officers, without their knowledge or permission, to a Human Source.
50. It appears that X played two very different roles for LC: on the one hand he was a Human Source whom she trusted 'no more or less than any other source', and on the other hand he was part of her 'support network', and 'filled a void for me'.
51. LC gave evidence that during 2022, she declined the opportunity to move into a different work area within the Commission on three occasions. When asked why she did not pass X on to a different handler or take up opportunities to leave the Human Source Team and work elsewhere in the Commission, LC acknowledged that there were two different reasons, one professional and the other personal.
52. She testified that 'part of me didn't want to give up this source because this source was providing significant amounts of information that I believed would have our team seen as successful'. However, she also accepted that she had wanted to maintain contact with X for the emotional support he provided to her.
53. At no stage did LC declare her relationship with X as a personal interest capable of affecting her ability to perform her duties impartially and in the public interest. This was a breach of the Commission's Code of Conduct.

### **Deceiving the Commission**

54. LC's decision to continue acting as X's Primary Handler while actively pursuing a relationship with him was, as she later accepted, contrary to basic principles of human source handling. Maintaining the relationship required a very high level of secrecy on her part.
55. Overall, between 3 January 2019 and 13 March 2023, LC recorded only 30% of her telephone conversations with X. By way of contrast, between 12 August 2021 and 7 November 2022, she recorded 91% of her calls with another Human Source.

56. When challenged about her failure to record all of her conversations with X and make Contact Advice Reports as required by the applicable Policy and Procedure, LC explained that she had not wanted to do so because then her colleagues would discover the relationship between them. She conceded that she had been making a deliberate attempt to hide her actions from the Commission.
57. Data analysis carried out by the Commission shows that in 2022 alone, the time LC and X spent talking to each other reached a total of 437 hours and 36 minutes. Of this total, a mere 28 hours and 53 minutes were recorded. In other words, in 2022 LC and X expended more than 400 hours speaking to each other about matters that were not disclosed to the Commission. LC admitted during her examination that these were matters of a personal nature.
58. LC was aware that the volume of interactions between her and X was extremely high. In one recorded message made on 22 May 2020, LC attempted to quantify the time they had spent talking on Skype, saying:

I don't think I've ever spoken to anyone so much in my life...it's definitely a minimum of well, a minimum of at least an hour and a half a day, every day.

59. Knowing that the time devoted to communicating with X might betray the personal connection between them, LC actively concealed it. For example, during a recorded conversation on 25 February 2021, she said, 'it's been a couple of days since I spoke to you'. However, records showed that LC and X had in fact spoken for a total of four hours and seven minutes on 23 February 2021 and four hours and 34 minutes on 24 February 2021. The deception engaged in by her on 25 February 2021 was planned and deliberate.
60. On other occasions, LC would only record part of a conversation with X, but both parties would greet each other when she commenced recording. Plainly, this conduct was intended to give the impression that the conversation was shorter than it had been, and this began to take place as early as 17 November 2020. On that day, a call between X and LC lasted for 20 minutes and 14 seconds. Only seven minutes and five seconds were recorded, and at the beginning of that shorter excerpt, each said 'good morning' to the other.
61. This tactic was repeated on many occasions thereafter. LC accepted that the outcome was calculated to lead a third party to believe that the telephone calls were shorter than they actually were. Objectively, this conduct can only be described as wilfully deceptive.
62. Similarly, during a phone call recorded in 2022, LC opened by wishing X 'happy birthday for the other day' and apologising for not having been able to call him on his birthday a few days earlier. However, the Commission's records demonstrated that she had spoken with X three times on his birthday and five times on the day afterwards, for a total time of 45 minutes and 51 minutes respectively. None of those calls were recorded.
63. Although LC clearly took considerable pains to conceal the nature of her relationship with X, it is most alarming that concerns about her conduct were not raised and acted



upon until January 2023. There appears to have been an almost total absence of cross-checking of LC's records and activities with X by other Commission officers, particularly her immediate supervisor, A.

64. One might have expected A, or another senior officer, to have checked what LC had been doing, with not only X but the other Human Sources, on at least a monthly basis, especially as she was not only a Human Source Handler but was also the Coordinator of the Human Source Team overall.
65. It appears that there was some disquiet within the Commission about LC's handling of X. As early as 9 July 2020, A emailed LC and other officers to express 'some concerns that we are investing a lot of energy and resources for what might be seen as limited tangible outcomes'. However, notwithstanding these reservations, it appears that no action was taken to confirm that the time and resources expended on X were justified, or, more pertinently, that the Policy and Procedure were being complied with in relation to him.
66. At the relevant times the Human Source Team has been described by one of its officers as not being 'a functional space'. Given what has been revealed by the Commission's investigation, this appears an entirely apt characterisation.

#### **Serious Misconduct under the *Corruption, Crime and Misconduct Act 2003***

67. The definition of serious misconduct in the CCM Act includes situations in which a public officer corruptly takes advantage of their office or employment to obtain a benefit.<sup>10</sup> The benefit need not be material in nature.
68. As set out above, it is clear that over a period of several years LC used her position as a Commission officer to pursue a personal relationship that she viewed as beneficial. This necessarily involved deceptive conduct on her part and the extensive use of Commission time and resources.
69. LC also disclosed official information to X, contrary to the CCM Act. By way of explanation, the CCM Act defines 'official information' as information acquired by a person by reason of, or in the course of, the performance of their functions under the Act. In the case of Commission officers, any information they receive in the course of their employment, including any intelligence reports so obtained, will be official information.<sup>11</sup>
70. Disclosure of such information is strictly prohibited, with some exceptions: for instance, where the disclosure is under or for the purposes of the CCM Act; where information is provided to the Parliament; or where the Commission has certified that disclosure is necessary in the public interest.<sup>12</sup> Unauthorised disclosure of official information is an offence in the CCM Act attracting a three-year term of imprisonment.<sup>13</sup> It is, therefore, also serious misconduct.<sup>14</sup>

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<sup>10</sup> CCM Act sections 3, 4(b).

<sup>11</sup> CCM Act section 152(1).

<sup>12</sup> CCM Act sections 152(4)(a), (d) and (e).

<sup>13</sup> CCM Act section 152(2)(b).

<sup>14</sup> CCM Act sections 3, 4(c).

71. Moreover, the CCM Act provides that each person employed by the Commission must swear or affirm that they will not disclose any information received under the CCM Act except in accordance with it.<sup>15</sup> LC took this oath on 17 January 2007.
72. The effect of the above provisions is that when Commission officers receive a report of possible serious misconduct, they are not free to deal with that information as they choose. LC's obligation at all times was to make a record of all intelligence she received in her role as a Commission officer and not disclose it to any person outside the Commission without being authorised to do so. It was never within her remit to unilaterally decide how she would deal with information received by her, regardless of the source.
73. Nevertheless, this investigation revealed several occasions on which LC disclosed intelligence reports to X, without seeking any authorisation to do so. Telephone calls in which she made these disclosures were recorded on 1 July 2021, 18 August 2021, and 20 December 2022.
74. During the first of these phone calls, LC disclosed to X information that she had received from another Human Source. On 18 August 2021 and 20 December 2022, LC gave X information about possible serious misconduct that she had received from a contact in a government department.
75. LC denied that she had been 'feeding' X information that the Commission already held in an attempt to increase the number of 'reports' he could provide and thereby bolster his value as a Human Source. Instead, she said information was disclosed so X could make his own enquiries to determine whether or not it was true. Whatever her motivations, LC was disclosing official information, contrary to the CCM Act.
76. Most seriously, on one of the above occasions when LC disclosed official information to X, she also gave him the name of a person ('the complainant') who was believed to have made an anonymous report of corruption.
77. The complainant had become aware of possible corruption within the public sector and had lodged an allegation with the Commission, as any person can do under the CCM Act.<sup>16</sup> The complainant's letter to the Commission stressed that it was written 'at great risk to myself because of the level of corruption that is going on' and explicitly stated that the complainant wished to remain anonymous. On receiving this allegation, the Commission referred it to the relevant department for action pursuant to section 33(1)(c) of the CCM Act.
78. The allegation was passed on to a person in the department who knew LC and emailed her about it on 17 August 2021. LC responded by enquiring whether there was any way to identify the complainant. The next day the departmental officer emailed LC again and advised her of the presumed identity of the anonymous complainant. That email was sent at 8:56 am.

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<sup>15</sup> CCM Act section 183.

<sup>16</sup> CCM Act section 25.

79. At 10:32 am on 18 August 2021, LC spoke with X and informed him of the allegation and the complainant's name and location. She did not seek authorisation from the Commission that this disclosure was necessary in the public interest, and nor did she conduct any risk assessment. In fact, the speed with which she conveyed the information to X suggests she gave the potential risk little or no consideration. There was no evidence that she discussed her intentions with any other officer at the Commission.
80. Whether or not the complainant had been correct in asserting that their safety was at risk, there was no valid reason why their wish to remain anonymous should have been overridden and their identity compromised. LC's conduct in disclosing this information was a betrayal of the trust that the complainant had placed in the Commission when, notwithstanding concerns for their own safety, they chose to make a report of possible corruption.

### **Mitigating Circumstances**

81. At the time of her inappropriate relationship with X, LC was emotionally wrought, caught in a thicket of her own lies and struggling with a marriage breakdown. She was, effectively, maintaining a double life, with all of the anxiety and stress that this must entail.
82. LC also testified that she was overwhelmed by her workload. Beyond this, she alleged that she received very little support from her manager, A, who was 'very nice, but just completely unavailable' and was neither involved with nor invested in the activities of the Human Source Team. Interviews conducted with other members of the Human Source Team support LC's evidence that A did not generally assist the team and did not attend its meetings. Unfortunately, that specific allegation was not formally put to A during examination by the Commission, although A has since made representations to me denying having been unavailable in this regard. As such, the issue is unclear.
83. Nevertheless, when asked about what was self-evidently a hands-off management style, A testified that LC had been a trusted employee, that A had felt 'confident in her abilities' and 'had no reason to doubt her'. Clearly A trusted LC, and, equally clearly, this trust was misplaced.
84. At the relevant times, A had responsibility for five separate work areas within the Commission, one of which was the Human Source Team. A gave evidence that given the 'breadth' of these responsibilities, it had not been possible to 'check 100 per cent of everything that was done'. In reality, it appears that A checked very little, if any, of the activities of the Human Source Team.
85. Whatever the reasons, including competing work priorities, plainly A was not adequately fulfilling the Human Source Registrar role as required by the Procedure. Concerningly, this does not appear to have become apparent to other senior Commission officers until early 2023.
86. Although A's supervision of LC was obviously deficient, from my vantage point it is difficult to accept the alleged extent of her overwork. Certainly, she was performing two different roles by acting as both a Human Source Handler and the Human Source

Coordinator, with the latter role requiring her to manage a small team. However, for all of this, she also found the time to speak to X at great length about non-work-related matters, including for some 400 hours in 2022 alone.

87. There were also steps that LC could have taken, but did not take, to extricate herself from the difficult situation she had created. She did not attempt to have X reallocated to a different Human Source Handler, accept or pursue opportunities to move to another unit within the Commission, or seek support from any of her colleagues.
88. Whether or not LC would have ultimately disclosed her activities to the Commission is unknowable, but her failure to do so over the three-year period explored in this report suggests strongly that she would have kept silent on the matter had it not been discovered in January 2023.
89. It must be acknowledged that during the course of this investigation, LC apologised to the Commission, expressed remorse and shame, and freely admitted that she had breached the Policy, Procedure, and Code of Conduct. She was, she said, not sure she could ever forgive herself. I have no reason to question her sincerity.

### **My Findings and Recommendations**

90. Despite her apparent remorse, I find that LC engaged in serious misconduct<sup>17</sup> on the following occasions and in the manner outlined below:
  - Between early 2020 and early 2023, LC corruptly used her position as Human Source Coordinator within the Commission, and the resources provided to her in carrying out this role, to obtain a personal benefit: an extensive and intimate relationship with one of the Commission's Human Sources.
  - In pursuing this relationship, LC took multiple steps to deceive the Commission, including adopting a pseudonym and failing to record all of her interactions with the Human Source.
  - On or before 8 May 2021, LC provided the first names of three Commission officers to a Human Source without their consent in circumstances where this knowledge had the propensity to fully identify them.
  - On 1 July 2021, 18 August 2021, and 20 December 2022, LC disclosed official information to a Human Source without seeking authorisation to do so.
  - On one of these occasions, on 18 August 2021, LC also informed the Human Source of the name and location of a person who had made an anonymous allegation to the Commission, again without obtaining authorisation to do so.
91. I make no recommendation as to any disciplinary action to be taken against LC, who is no longer employed by the Commission and therefore not subject to any sanctions

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<sup>17</sup> A finding that serious misconduct has occurred is not, and is not to be taken as, a finding that a person is guilty of a criminal offence or a disciplinary offence.

imposed by it. Neither do I make any recommendation in relation to the bringing of criminal proceedings, which is a matter for WA Police.

92. My overall focus, of course, is not merely on LC, or any individual officer, but on the Commission as a whole. I recommend that the Commission undertake a full internal inquiry into how so many breaches of Policy, Procedure and the Code of Conduct were allowed to take place in its Human Source Team, uninterrupted and unidentified, for such a long period of time.
93. I further recommend that the Commission report to the Parliament by the end of this calendar year as to the outcomes of that inquiry and the procedural changes it proposes to adopt as a result before it recommences using Human Sources in any of its operations.



**MATTHEW ZILKO SC**  
**PARLIAMENTARY INSPECTOR**



## Appendix 2

### Letter from the Corruption and Crime Commission

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Your reference: -

Our reference: [REDACTED]

11 March 2024

Mr M Hughes MLA  
Chair, Joint Standing Committee on  
the Corruption and Crime Commission (JSCCCC)  
Parliament of Western Australia  
4 Harvest Terrace  
WEST PERTH WA 6005

By email: [jscccc@parliament.wa.gov.au](mailto:jscccc@parliament.wa.gov.au)

Dear Mr Hughes,

#### Report from Parliamentary Inspector

I have been provided with an embargoed copy of the Parliamentary Inspector's final report: Going Rogue: Serious Misconduct by a Commission Officer. The Parliamentary Inspector is aware I am writing to you.

When the Acting Chief Executive and I were informed in January 2023, of a possible breach of procedure, immediate action was taken and the Parliamentary Inspector notified on 27 January 2023. All human source activity was suspended by my order.

Disciplinary proceedings were commenced in respect of two officers by the Acting Chief Executive, using an independent agency. The proceedings resulted in LC's dismissal. A was no longer a Commission officer and therefore not subject to a disciplinary penalty.

Misconduct investigations differ from disciplinary proceedings as each has a different focus.

The Commission in close cooperation with the Parliamentary Inspector commenced Operation Skaden, an investigation into alleged serious misconduct.

Operation Skaden was staffed by officers who either did not know, or who had minimal contact with LC. The Parliamentary Inspector vetted and approved each officer. Operation Skaden was locked down.

Close and complete cooperation with the Parliamentary Inspector continued until active investigative steps were complete. The Parliamentary Inspector formally removed the investigation

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#### Contact the Corruption and Crime Commission

Level 5, 45 Francis Street  
Northbridge WA 6003

General Enquiries (08) 9215 4888  
Report Corruption 1800 809 000

[www.ccc.wa.gov.au](http://www.ccc.wa.gov.au)

[info@ccc.wa.gov.au](mailto:info@ccc.wa.gov.au)

[@CCCWestAus](https://twitter.com/CCCWestAus)

[REDACTED]

in order to finalise and determine the matter independently of the Commission. This was necessary because of the Commission's obvious conflict of interest.

The Commission unreservedly accepts that failures within its systems contributed to a climate in which the officer's deception was not only possible but was perpetuated over a long period [par 6].

The recommendations in paragraphs 92 and 93 are accepted.

An independent expert has been engaged and started a review on Monday 26 February 2024. The terms of reference for this work is to identify the circumstances that led to the conduct occurring and how it took place without being detected for a significant period of time. The scope includes a focus on:

- Governance and reporting mechanisms;
- Capability management; and
- Leadership and culture.

The Commission intends to report to the Joint Standing Committee before the end of 2024 on the results of the review. Human source activity can be a potent investigative tool. The Commission will consider its further use, together with tightened procedures after the review is finalised.

Although the failure of the Commission's policies and procedure was undoubtedly a factor, as the Parliamentary Inspector's report makes clear, the mendacity of the officer and the neglect of her supervisor were the principal reasons for the breach of procedures. The Commission's procedures, though delayed, were effective. The officer's actions have not led to lasting harm.

The continuing lies and deception by the officer as set out in the Parliamentary Inspector's report are a betrayal of the values and commitment of every dedicated Commission officer.

They feel disappointed and tarnished by the actions of one rogue officer.

I have no objection to the publication of this letter if the Committee decides to do so.

Yours sincerely

[REDACTED]

John McKechnie AO, KC  
**Commissioner**

[REDACTED]





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