



Accepting cash for favours

A councillor accepts money in order to speed up the council approval process. What could happen next?

The story

A Sydney councillor, Mr Jack Au, was investigated by the Independent Commission Against Corruption (ICAC) regarding allegations he was given \$4500 as a "reward" by a developer Ms. Shu Liang, for helping her get council approval for her karaoke bar.

Emails from Mr Au showed him advocating to council planners and staff for the karaoke bar.

Ms Liang's emails to the Auburn Council planning director indicate she was paying him to speed up the process. She said:

"[thank you] for helping me a lot, such as the first time you did overtime for me around the time of New Years. I paid \$4500 to Jack for three of you, \$1000 each for that day afternoon overtime and the \$1500 construction certificate fee. So I would like to know how long I have to wait as I know somebody is holding the file. I have been waiting from before Christmas to now."

Mr Au told the Commission that he had provided some building and pest control advice to Ms Liang, and asserted that the payments made by Ms Liang were for building and pest inspection work he had undertaken for her and he accepted the money on that basis. No records of the work allegedly undertaken were created by Mr Au or his sister, who owned the company for which he worked.

The ICAC concluded that Mr Au kept the \$4,500 for himself and did not pay any of it to his employer.

With thanks to the NSW ICAC.

Questions

1. List all of the ethical issues around this situation.
2. Did the councillor have an ethical obligation to decline the cash?
3. Why was it inappropriate to accept the cash?
4. Why is cash a particularly problematic gift to accept?
5. Why was it inappropriate to accept the cash?
6. How culpable, if at all, is the manager who approved the employee keeping the gift?
7. Is it possible that this agency had a systemic lack of controls to allow this misconduct to occur?
8. Why is it important to understand exactly how this misconduct occurred?
9. In terms of controls and governance what might the public authority do to prevent this occurring again?
10. Is there anything else the public authority should consider?



The Commission can help

We are available to provide support and assistance with identifying, reporting, investigating, managing and preventing misconduct: prevention@integrity.tas.gov.au or 1300 720 289.

For more Misconduct Prevention resources go to www.integrity.tas.gov.au/resources