

IBAC has published this update from the Department of Premier and Cabinet (DPC) on the progress of whole-of-government reforms to strengthen integrity and prevent corruption in response to IBAC's Operation Ord recommendations.

DPC update in response to Operation Ord recommendations, July 2018

Integrity structure and governance

The Integrity and Corporate Reform Subcommittee was established in 2016 by the Victorian Secretaries Board (VSB) to lead the work of the VSB's corruption prevention and integrity reforms, coordinate integrity-related work, and share good practice. It meets monthly to discuss and share lessons from integrity body audits and investigations.

Conflicts of interest

In July 2016, the VSB endorsed a model conflict of interest policy and supporting materials to assist the public sector to manage conflicts of interest risks. The resource suite, published by the Victorian Public Sector Commission (VPSC), includes the following:

- *Model conflict of interest policy:* <https://vpsc.vic.gov.au/resources/conflict-of-interest-guidance-for-organisations/>.
- *Guide to applying the conflict of interest policy principles:* <https://vpsc.vic.gov.au/resources/conflict-of-interest-guidance-for-organisations/>.

The VPSC has also developed the following resources to aid with implementing the model policy:

- *Assessing your organisation's conflict of interest risk:* <https://vpsc.vic.gov.au/resources/assessing-your-organisations-conflict-of-interest-risk/>.
- *Implementing the model conflict of interest policy:* <https://vpsc.vic.gov.au/resources/implementing-evaluating-conflict-interest-policy-processes/>.

The Victorian Government Purchasing Board also introduced a *Supplier Code of Conduct*, which outlines expected behaviour of government suppliers in regard to integrity, ethics and conduct; conflict of interest; and gifts, benefits and hospitality. The Code applies from 1 July 2017 and is available at <http://www.procurement.vic.gov.au/Suppliers/Supplier-Code-of-Conduct>.

This initiative responds to issues identified in IBAC's *Perceptions of corruption: Survey of Victorian Government suppliers* published in June 2016. The report is available at <http://www.ibac.vic.gov.au/publications-and-resources/article/survey-of-victorian-government-suppliers>.

Gifts, benefits and hospitality

The VPSC's gifts, benefits and hospitality resource suite was revised in July 2018 and is available at <https://vpsc.vic.gov.au/resources/gifts-benefits-and-hospitality-resource-suite/>.

The VSB's Integrity and Corporate Reform Subcommittee now has a role in monitoring declined offers of gifts, benefits and hospitality to identify concerning patterns or trends. Regular reports will be presented to the Subcommittee commencing late 2018 (data on declined offers is only required to be collected from July 2018).

Code of conduct for Victorian public sector employees

In December 2016 the VPSC issued a revised *Guide to managing poor performance in the workplace*, which aims to help organisations address behavioural concerns effectively and constructively. The guide is available at <https://vpsc.vic.gov.au/resources/managing-poor-behaviour-in-the-workplace/>.

Tendering and procurement

Under the High Value High Risk (HVHR) Project Assurance Framework published by the Department of Treasury and Finance in 2010, infrastructure and ICT projects identified as being high value or high risk are subject to more rigorous scrutiny and approval processes. All HVHR ICT projects that have been funded since the framework was introduced have had an independent member sit alongside the project steering committee for quality assurance purposes, and project assurance reviews have been planned for these projects. Project assurance reviews are also conducted for other ICT projects that are not formally classified as HVHR, where requested. Further information, including the 2017 update and fact sheets, is available at <https://www.dtf.vic.gov.au/infrastructure-investment/high-value-high-risk-framework>.

Ethical leadership

A new executive performance framework is being developed by the VPSC. The framework, once approved, will mandate performance expectations for all Victorian Public Service (VPS) Executive Officers; core elements across all plans will include the VPS Code of Conduct and public sector values and behaviours. Further information will be provided when the framework is approved and is ready to be implemented.

IPAA Victoria is running an *Integrity and Ethical Leadership Program*. Senior VPS executives with relevant roles (for example, procurement) were among the first to be invited to participate in the course.