

Thursday 24 September 2009

Solicitation and receipt of corrupt payments from a RailCorp contractor

ICAC FINDINGS

- The ICAC has made findings of corrupt conduct against Wasim Khan, Mohammed Ali and Tabrez Khan.
- The Commission finds that Wasim Khan engaged in corrupt conduct by soliciting payment of \$200,000 from Mr Harambasic, accepting a payment of \$15,000 from Mr Harambasic and providing favourable treatment to Unisec by manipulating RailCorp contract selection processes to ensure Unisec was awarded the security guard auditing services contract.
- The Commission finds that Mr Ali engaged in corrupt conduct by entering into a scheme he knew to be improper to seek improper payments of \$200,000 from Mr Harambasic in return for Wasim Khan arranging the awarding of the contract to Unisec.
- The Commission finds that Tabrez Khan engaged in corrupt conduct by entering into a scheme he knew to be improper to obtain payment from Mr Harambasic in return for Wasim Khan arranging the awarding of the contract to Unisec, and accepting a \$15,000 payment from Mr Harambasic for Wasim Khan.

ICAC RECOMMENDATIONS

- The Commission is of the opinion that consideration should be given to obtaining the advice of the Director of Public Prosecutions (DPP) with respect to the prosecution of Wasim Khan for soliciting a corrupt benefit of \$200,000 and receiving a corrupt benefit of \$15,000 contrary to section 249B(1) of the *Crimes Act 1900* (NSW).
- The Commission is also of the opinion that consideration should be given to obtaining the advice of the DPP with respect to the prosecution of Mohammed Ali for aiding and abetting a criminal offence of soliciting a corrupt benefit contrary to s.249F of the Crimes Act. The Commission also recommends the Attorney-General consider removing Mr Ali from the position of justice of the peace, and that the Registrar of Marriage Celebrants review his appointment as a marriage celebrant.
- The Commission is also of the opinion that consideration should be given to obtaining the advice of the DPP with respect to the prosecution of Tabrez Khan for an offence of aiding and abetting the soliciting of a corrupt benefit and an offence of aiding and abetting the receiving of a corrupt benefit of \$15,000 contrary to s. 249F of the Crimes Act.

CORRUPTION PREVENTION RECOMMENDATIONS

The ICAC has made five corruption prevention recommendations to improve RailCorp's procurement systems and procedures, including that RailCorp:

- revises its procurement training for staff and contractors to explicitly address the risks for corruption and non-compliance in direct negotiations, including negotiations over scope of works
- establishes and publishes a way for tender evaluation committee members to obtain advice should they have a query about whether proper procedure is being followed for a tender
- implements a system of random auditing to be done by senior managers of their middle managers' procurement approvals; Internal Audit should then audit the senior managers' audit. When approving officers approve orders that vary from standard procedures, penalties should be enforced.

The full report is available on the ICAC website at www.icac.nsw.gov.au.

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