

A report on corrupt procurement practices and conduct in the Department of Communities

20 September 2022



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OVERVIEW

- [1] Mrs Kerry Ravi was a long term employee of the Department of Communities (DoC). Ms Maria Irdi was a 'contractor' who worked in the DoC for more than 8 years.
- [2] They worked together on what was known as the Value for Money Project (VFM Project) within Department of Communities.
- [3] During the period 2012 to 2020, Mrs Ravi and Ms Irdi allocated \$2.1 million in consulting work to Grant Thornton and separately, \$5.1 million to Minter Ellison as part of the VFM Project.
- [4] Mrs Ravi and Ms Irdi breached DoC procurement rules to award work to Grant Thornton and Minter Ellison, frequently disclosing competitors' pricing information.
- [5] During the period 2012 to 2020, Mrs Ravi and Ms Irdi received hospitality and gifts from the two firms.
- [6] The firms worked with Mrs Ravi and Ms Irdi to maximise the personal benefits Mrs Ravi and Ms Irdi gained from interstate travel, which was sometimes paid for by the two firms.
- [7] A job at Grant Thornton for a close family member of Mrs Ravi was procured on the strength of the relationship with Grant Thornton.
- [8] When Grant Thornton failed to re-apply for inclusion in the Government-wide Common User Arrangement (CUA) panel for Audit and Financial Advisory Services, Mrs Ravi and Ms Irdi initiated and manipulated a DoC tender process to get Grant Thornton Tax Lawyers Pty Ltd appointed to the DoC legal panel.
- [9] Mrs Ravi manipulated a DoC tender process to enable Ms Irdi to continue to work at the DoC during the period October 2019 to April 2020.
- [10] The Commission considers that Mrs Ravi engaged in serious misconduct. Findings of serious misconduct are at Chapter Ten.
- [11] Although Ms Irdi worked in the DoC from 2012 to 2020, she was not, technically, a 'public officer'. Her services were provided through third party consulting and labour hire firms. Consequently, the Commission is unable to make serious misconduct findings in respect of her. The Commission has investigated Ms Irdi's conduct because it is related to the suspected serious misconduct of a public officer, Mrs Ravi.
- [12] The events dealt with in this Report highlight risks associated with the use in the public sector of contractors in situations similar to that of Ms Irdi,

and the need to extend the definition of 'public officer' in the *Corruption, Crime and Misconduct Act 2003* (CCM Act).

- [13] Mrs Ravi and Ms Irdi obtained their position on the VFM Project through Mr Paul Whyte. The investigation into the conduct of Mrs Ravi and Ms Irdi was part of the Commission's broader investigation known as 'Operation Taurus'.
- [14] Operation Taurus resulted from the Commission's discovery of the corrupt conduct for which Mr Whyte was sentenced in 2021 to 12 years imprisonment.
- [15] Persons involved in the conduct the subject of this Report were provided with a draft and given the opportunity to make submissions. Their submissions have been taken into account and the draft Report modified to the extent considered appropriate.

CHAPTER ONE

Introduction

The Value for Money project

- [16] In February 2012, PriceWaterhouseCoopers (PwC) completed a Review for the DoC which identified that DoC had historically paid more GST than was necessary.
- [17] The PwC Review concluded that there was an opportunity for DoC to recover \$20M in GST refunds from the Australian Tax Office¹ (ATO), and that DoC could make substantial GST savings in the future by adopting a more 'commercial' approach.²
- [18] In mid-2012, the VFM Project was established by the DoC to give effect to the PwC Review.
- [19] A mid-level public officer, Mrs Kerry Ravi, and a 'consultant', Ms Maria Irdi, were put in charge of implementing the VFM Project. They worked closely together on the VFM Project.
- [20] Neither had expertise in GST. Neither was closely supervised.
- [21] Over the period 2012 to 2020, the VFM Project did in fact deliver substantial GST savings in the form of refunds and ongoing GST savings.
- [22] However, over the same period, Mrs Ravi and Ms Irdi took advantage of the lack of supervision to procure benefits for themselves.

Kerry Ravi

- [23] Mrs Ravi was a career public servant and an employee of DoC. At all material times she was a 'public officer' within CCM Act s3.
- [24] She had spent 20 years working at Country Housing before joining the DoC.³
- [25] Between 2008 and 2009 she worked as Mr Paul Whyte's Executive Assistant at DoC.⁴

¹ Value for Money Review (PwC) p176, Attachment to Email from M Irdi to C Vittas (Grant Thornton), cc'ing K Ravi, bcc'ing M Azzopardi (Grant Thornton), 13 June 2012. (Document 3797532)

² Value for Money Review (PwC) p44, Attachment to Email from M Irdi to C Vittas (Grant Thornton), cc'ing K Ravi, bcc'ing M Azzopardi (Grant Thornton), 13 June 2012. (Document 3797532)

³ K Ravi, transcript private examination, 20 August 2020, p7

⁴ K Ravi, transcript private examination, 20 August 2020, p8

- [26] Mrs Ravi returned to DoC in 2012, after a secondment in the Department of Finance, and worked for Mr Whyte once again.⁵
- [27] When Mrs Ravi returned to DoC in 2012, her substantive role was Project Coordinator (Level 7).
- [28] Mr Whyte requested that she start implementing the recommendations of the PWC Review.⁶
- [29] In 2016, Mrs Ravi was promoted to the position of Project Manager GST Specialty Services (Level 8.3), a position created by Mr Whyte.⁷
- [30] Apart from a one-week project management course in 2011, and a one-week Practitioner project management course,⁸ such skills as she had in project management were obtained through worked experience.
- [31] Mrs Ravi had no qualifications or experience in GST. She said in evidence during her examination by the Commission 'I didn't really know anything about GST'⁹ and maintained 'I'm not a technical GST expert'.¹⁰
- [32] Mrs Ravi's employment at DoC was terminated in May 2021.

Maria Irdi

- [33] Ms Irdi was engaged as a Project Manager for the VFM Project.
- [34] Ms Irdi is a Chartered Accountant. She graduated with a Bachelor of Commerce (1986) and a Post Graduate Diploma in Professional Accounting (1993) from Edith Cowan University.
- [35] Ms Irdi had previously worked at Grant Thornton,¹¹ and another mid-sized chartered accountancy firm.¹²
- [36] Between May 2012 and August 2020, Ms Irdi worked at DoC on a number of short-term contracts through consulting or labour hire firms. During this period, Ms Irdi resided in Victoria. She commuted from Victoria to carry out her role in Perth.

⁵ K Ravi, transcript private examination, 20 August 2020, p6-8

⁶ K Ravi, transcript private examination, 20 August 2020, p6-8

⁷ K Ravi, transcript private examination, 20 August 2020, p5. She was initially appointed to the position without a competitive process. K Ravi, transcript private examination, 20 August 2020, p4

⁸ K Ravi, transcript private examination, 20 August 2020, p9

⁹ K Ravi, transcript private examination, 20 August 2020, p14

¹⁰ K Ravi, transcript private examination, 20 August 2020, p64

¹¹ According to M Irdi's CV she worked at Grant Thornton between 2000 to 2010. Grant Thornton (VIC) Pty Ltd was registered on 26 May 2008 and prior to that was known as William Buck (Vic) Pty Ltd. (Document 00249-2020-0207).

¹² Email from M Irdi to B Mendez, 28 March 2012. (Document 1007128); 1997 - 2000.

[37] Although Ms Irdi was engaged to provide specialist GST services,¹³ she openly told external contractors that she was not a GST expert.

[38] During her private examination before the Commission, Mrs Ravi gave frank evidence about Ms Irdi's GST skills. She said:

*...she didn't have the skillset required to deliver what we were needing to deliver on her own.*¹⁴

*...Absolutely I'd say no, she wasn't the best person for the role.*¹⁵

*Yeah, we were getting ripped off.*¹⁶

Was Ms Irdi a 'public officer'?

[39] The role of the Commission is to investigate serious misconduct by 'public officers' within the meaning of that expression in CCM Act s 3.

[40] Whether Ms Irdi was a 'public officer' depends on whether she was an 'employee' of the DoC.

[41] Ms Irdi worked at the DoC from May 2012 until August 2020.

[42] During that time, she worked from the workstation next to Mrs Ravi, had unrestricted access to the DoC offices, had access to the DoC computer systems, and used a DoC email address.

[43] Ms Irdi was not required to provide any tools or equipment to perform her work. She was under the direction of an employee of the DoC, Mrs Ravi. She dealt with DoC employees daily.

[44] It is likely many within the DoC would have thought Ms Irdi was an 'employee' of DoC.

[45] However, it is probable that, legally, Ms Irdi was a 'contractor', rather than an 'employee' of DoC.

[46] Recent decisions of the High Court¹⁷ have stressed the importance of formal contractual arrangements in determining a person's employment status, rather than the 'totality of the relationship between the person engaged and the person doing the engaging'.

¹³ Labour Hire Contract dated 1 June 2012 (00249-2020-0175). From October 2019 while engaged through a different firm, her role was described as 'GST Technical Specialist & engagement Director', and following that, 'GST Technical Specialist' - Labour Hire Contracts (00249-2020-0178).

¹⁴ K Ravi, transcript private examination, 20 August 2020, p36

¹⁵ Ibid p34

¹⁶ K Ravi, transcript private examination, 23 June 2021, p114.

¹⁷ *Workpac v Rossato* (2021) 271 CLR 456; [2021] HCA 23; *Construction, Forestry, Maritime, Mining and Energy Union v Personnel Contracting Pty Ltd* (2022) 398 ALR 404; [2022] HCA 1; *ZG Operations Australia Pty Ltd v Jamsek* (2022) 398 ALR 605; [2022] HCA 2.

- [47] Ms Irdi never had a contract of employment with the DoC. Ms Irdi's services were supplied through labour hire or consulting firms.
- [48] It was those firms which had contracts with the DoC. The firms were paid by DoC for Ms Irdi's services. Ms Irdi was not directly on the DoC payroll.
- [49] Ms Irdi was required to complete and submit timesheets recording the hours she worked. Mrs Ravi was required to approve her timesheets. Invoices were then submitted by the firm for payment by DoC.
- [50] Ms Irdi was not authorised to incur expenses on behalf of DoC.
- [51] The Commission is not in a position to express an opinion whether Ms Irdi's conduct was 'serious misconduct' or not, since Ms Irdi was probably not a public officer.
- [52] However, it is necessary to consider her behaviour to properly investigate the conduct of Mrs Ravi and the broader misconduct risks in the DoC.

Grant Thornton and Minter Ellison

- [53] This report refers to conduct by Grant Thornton and Minter Ellison, two firms engaged by the DoC in connection with the VFM Project and various directors, partners and employees of those firms.
- [54] Those firms and their personnel are not 'public officers' within CCM Act s 3. The Commission is not therefore in a position to make findings of serious misconduct in respect of their conduct and does not do so. Their conduct is part of the story surrounding Mrs Ravi's misconduct.
- [55] The Commission received submissions on the draft report which pointed out that individuals identified in the report no longer work at Grant Thornton and Minter Ellison.
- [56] Submissions also dealt with the extent to which those firms were aware of and responsible for the events described in this Report at the time those events were occurring. The Commission has considered those submissions and expresses no opinion in respect of such matters.

Paul Whyte

- [57] Paul Whyte was an Executive of the DoC. At times, he was Acting Director General.
- [58] On 19 November 2021, Mr Whyte pleaded guilty to 564 criminal offences, including corruption, relating to the misappropriation of over \$22 million from the DoC.

- [59] Mr Whyte was instrumental in the appointment of Mrs Ravi to project manage the VFM Project.
- [60] He agreed to engage Ms Irdi as a consultant and formally approved Ms Irdi's re-engagement when the contract for her services came up for renewal from time to time. He approved the rate payable to the labour hire or consulting firm providing Ms Irdi's services.¹⁸
- [61] The amounts charged for Ms Irdi's services likely far exceeded the salary of an employed accountant with Ms Irdi's experience and qualifications. The amount paid by DoC for Ms Irdi's services was likely significantly more than Ms Irdi would have been paid had she been employed as a public officer at the level appropriate for the role.¹⁹ Ms Irdi was not based in Perth. There is no obvious commercial justification for Mr Whyte's conduct.
- [62] It is easy to blame Mr Whyte for the misconduct of Mrs Ravi and Ms Irdi.
- [63] Mrs Ravi and Ms Irdi agreed that they would do just that.
- [64] In an intercepted telephone conversation between Mrs Ravi and Ms Irdi after their initial attendance at an examination before the Commission, they said: ²⁰
- Ms Irdi: Put everything on Paul*
- Mrs Ravi: I'm going to.*
- [65] Mrs Ravi said in her evidence before the Commission on 21 August 2020:
- Mrs Ravi: Have I made bad choices? Have I been influenced by other people? Absolutely. But you know, I also had a boss who no one knew was ripping us off for 10 years.*²¹
- [66] There is, however, no real reason to think Mr Whyte was actively involved in the wrongdoing described in this report.
- [67] It may be that Mr Whyte's criminal behaviour is indicative of a general disregard for good governance at DoC at the time, but the nature and extent of his crimes were not known at the time. His wrongdoing provides no justification or excuse for the wrongdoing of others.

¹⁸ Other DoC Executives were involved in renewing Ms Irdi's contracts post Mr Whyte's departure from DoC in November 2019.

¹⁹ When Ms Irdi started at the DoC in 2012, the hourly rate paid to the consulting firm was \$181.50 an hour or about \$310,000 a year for a 1,725 hours work. It later rose to \$264 per hour (or \$455,400 a year). Not all of that money would have been passed on to Ms Irdi by the labour hire/consultancy firms.

²⁰ Telephone intercept M Irdi and K Ravi, 30 October 2020. (Document 00249-2020-0313-1). M Irdi, private examination transcript, 21 June 2021, p16.

²¹ K Ravi, transcript private examination, 21 August 2020, p42

- [68] Mr Whyte was given an opportunity to comment on a draft of this report. He did not avail himself of this opportunity.

The relationship between Mrs Ravi and Ms Irdi

- [69] The relationship between Mrs Ravi and Ms Irdi is at the heart of the serious misconduct in this matter.
- [70] Mrs Ravi and Ms Irdi did not know each other before Ms Irdi started at DoC.
- [71] However, they worked together between 2012 and 2020. They were the only two DoC members of the VFM Project team and sat next to one another in the DoC offices throughout.²²
- [72] They spoke daily at work and celebrated birthdays.
- [73] The two travelled together for work and regularly attended hospitality events with Grant Thornton from 2012 to 2020, and with Minter Ellison from 2014 to 2020.²³
- [74] The following extract is from an intercepted telephone conversation between Mrs Ravi and Ms Irdi:

Mrs Ravi: Yeah I'm just gonna go to the supermarket and

Ms Irdi: Oh are you?

Mrs Ravi: do some shopping.

Ms Irdi: Alrighty. Well you (indistinct)

Mrs Ravi: And uhm while we're in our meeting it's what, what's the time now?

Ms Irdi: One o'clock.

Mrs Ravi: Oh yeah our meeting's starting in five minutes so I'll be busy

Ms Irdi: Yeah I've gotta

Mrs Ravi: for the next few hours

Ms Irdi: I gotta prepare for it

Mrs Ravi: Yeah me too (laughs)

Ms Irdi: Gotta wash behind my ears. Gotta wash behind my ears (laughs)

Mrs Ravi: Gotta clean your ears out so you can actually fuckin' hear what's going on

²² K Ravi, transcript private examination, 20 August 2020, p 19.

²³ Chapter Five of this Report.

Ms Irdi: Oh and thanks for letting me go get my hair coloured because it just makes it a bit difficult now where we're gonna be located and (indistinct)

Mrs Ravi: Yeah well that's in your own time Maria so that's no worries (laughs)

Ms Irdi: Yeah, yeah I suppose. Oh what? I can't charge?

Mrs Ravi: Nuh shut up, okay. Don't be a dumb arse.²⁴

- [75] This intercept is illustrative of the nature of their relationship and their wrongdoing. They were both supposed to be working at the time they spoke, but they covered for each other.
- [76] They had a common interest in the VFM Project continuing as long as possible.
- [77] It would have been apparent to Mrs Ravi that, once the VFM Project was over she might revert to her lower substantive level. Ms Irdi was consistently concerned about the VFM Project coming to an end, and the DoC no longer requiring her services.

Credibility

- [78] Neither Mrs Ravi nor Ms Irdi were truthful witnesses.
- [79] CCM Act s 99 prevents witnesses summoned to give evidence before the Commission from discussing their evidence with anybody else (apart from legal advisers), if a notation to that effect appears on the summons. The summonses to Mrs Ravi and Ms Irdi contained a CCM Act s 99 notation.
- [80] This applied both before and after their appearance in the witness box.
- [81] Both Mrs Ravi and Ms Irdi were aware of their confidentiality obligations under CCM Act s 99.
- [82] But they discussed their evidence anyway. They supported one another by planning what evidence they would give and sharing information each had about the Commission's investigation, contrary to their obligation to keep that information confidential.
- [83] Their attitude to their evidence is shown by intercepted telephone conversations:

²⁴ Telecommunication intercept, K Ravi and M Irdi, 24 July 2020. (Document 00249-2020-0282-3). K Ravi, transcript private examination, 23 June 2021, p104. In her evidence before the Commission Mrs Ravi accepted that this was a work day and both herself and Ms Irdi should have been at work; K Ravi, transcript private examination, 23 June 2021, p 106.

Ms Irdi: So and if and if they were to call, call me in you know what I'll be going don't remember I'll do what, what the other guy did, don't remember. I don't

Mrs Ravi: Can't recall, it was a long time ago.

Ms Irdi: Don't know. Can't remember. Can't remember.

Mrs Ravi: I don't know. It's a good saying. I don't know. I don't know.²⁵

[84] On 16 September 2020, Mrs Ravi discussed the evidence she had given:

Mrs Ravi: Like I said Maria I went in there and said to [Mrs Ravi's husband] I was gonna play fuckin' dumb...and I played fuckin' dumb.²⁶

[85] On 20 October 2020, Ms Irdi discussed the evidence she had given. She expected Mrs Ravi would be asked about similar things.

Ms Irdi: ...a lot of cut and paste, you can answer that. That's just technical shit so you're fine, but uhm, the lunches and the dinners and all that shit, and you can't be held responsible for me. How do you know that, how do they know you didn't reprimand me? You did reprimand me. You did reprimand me.

Mrs Ravi: Yeah, and in saying that, uhm, how come I kept going?

Ms Irdi: ...so I can fuckin' lie. I don't give a fuck.²⁷

[86] Their collaborative approach to their evidence greatly undermines its credibility.

[87] Further, both Mrs Ravi and Ms Irdi shared information about their summonses and evidence with other witnesses, particularly Mr Azzopardi of Grant Thornton, and Mr Missaghi of Minter Ellison. Ms Irdi also discussed her evidence with Mr Andrew Barrah and Mr Ian Herman, both of Grant Thornton.

[88] Mrs Ravi and Ms Irdi's conduct was a blatant breach of their non-disclosure obligations and alerted the witnesses to the matters that were under investigation by the Commission. It compromised the integrity of the other examinations.

²⁵ Telecommunication intercept, K Ravi and M Irdi, 13 November 2020. (Document 00249-2020-0292-1).

²⁶ Telecommunication intercept, K Ravi and M Irdi, 16 September 2020. (Document 00249-2020-0227-2).

²⁷ Telephone intercept M Irdi and K Ravi, 20 October 2020. (Document 00249-2020-0284-1). K Ravi, private examination transcript, 23 June 2021, p 19.

The standard of conduct required

- [89] Public officers are expected to discharge their duties fairly, avoiding conflicts of interest, and without the receipt of personal benefits.²⁸
- [90] These principles are reflected in the 2015 and 2019 Codes of Conduct developed by the DoC.²⁹
- [91] Both of these Codes of Conduct applied to Mrs Ravi and Ms Irdi.
- [92] Relevantly, the DoC Code of Conduct required public officers and contractors to:
- make decisions fairly, impartially and in accordance with policies and procedures;³⁰
 - maintain confidentiality and not make improper use of official information for direct or indirect personal gain;³¹
 - purchase goods and services following DoC and other government policies;³²
 - declare conflicts and not engage in nepotism in purchasing;³³ and
 - declare all offers and receipt of gifts, benefits and hospitality, and not accept gifts, benefits or hospitality that affects independence and impartiality.³⁴
- [93] The Housing Authority External Contractor Integrity information pack was developed in 2015.³⁵
- [94] The Integrity information pack sets out the policy for:
- conflicts of interest;
 - gifts, benefits and hospitality; and
 - confidentiality.
- [95] It reflects the principles outlined above in the DoC Code of Conduct.

²⁸ Public Sector Commission Standards including 'Codes of Conduct and Integrity Training' and 'Code of Ethics'.

²⁹ Department of Housing Code of Conduct, 2015. (Document 00249-2020-0194); Department of Communities Code of Conduct, 2019. (Document 00249-2020-0195).

³⁰ Department of Communities Code of Conduct, 2019. p3. (Document 00249-2020-0195).

³¹ Department of Communities Code of Conduct, 2019. p5. (Document 00249-2020-0195).

³² Department of Communities Code of Conduct, 2019. p7. (Document 00249-2020-0195).

³³ Department of Communities Code of Conduct, 2019. p8. (Document 00249-2020-0195).

³⁴ Department of Communities Code of Conduct, 2019. p8. (Document 00249-2020-0195).

³⁵ Housing External Contractor Integrity Information Pack (00249-2020-0193).

- [96] External contractors are required to read the Integrity information pack, sign the declaration at the end of the pack, ask their manager to sign it, and return the signed declaration to the person in their division responsible for collating the declarations.³⁶
- [97] The Commission investigation identified an email from Ms Irdi to the Executive Assistant to Mr Whyte indicating she had received the pack, read it and signed the declaration.³⁷
- [98] Ms Irdi gave evidence that she could not recall ever receiving and reading the Code of Conduct. However, she accepted it would have relevance to her as a DoC contractor: "I believe I represent the client in what I'm doing, so it's just natural for me to abide by the ethics that I'm bound by."³⁸
- [99] Mrs Ravi gave evidence that she had attended DoC training about the DoC Code of Conduct and understood that employees of government should not accept gifts or any receipt of hospitality.³⁹

What Mrs Ravi knew

- [100] On occasions, Mrs Ravi denied that she was aware of Ms Irdi's conduct.
- [101] The Commission is satisfied Mrs Ravi was aware of what Ms Irdi was up to.
- [102] In many cases, what Ms Irdi was up to was extracting benefits from the GST consultants engaged on the VFM Project. Mrs Ravi received the gifts, enjoyed the travel, and ate the meals organised by Ms Irdi.
- [103] Further, as discussed above, the relationship between the two was a close one. They sat next to each other at work. They talked. Ms Irdi frequently copied Mrs Ravi in on her emails.
- [104] When Ms Irdi did someone a favour, she was very astute to let the beneficiary know what she had done, so as to solicit a favour in return when the occasion arose. Ms Irdi's practice was to inform Mrs Ravi of her engagement of external parties by copying her into email communications.
- [105] For example, in an email to Mr Windle, then a partner of Grant Thornton, on 10 September 2014, Ms Irdi said:

We just met with the new CFO of Land Corp...I have encouraged them to meet with you and said I would facilitate it. Therefore, the week you are here Tony, lets lock

³⁶ Page 3, Housing External Contractor Integrity Information Pack (00249-2020-0193).

³⁷ Email from M Irdi to H Workman, 9 March 2015. (Document 3368300).

³⁸ M Irdi Transcript, private examination, 7 August 2020, p 23.

³⁹ K Ravi transcript, private examination, 20 August 2020, p50 - 51.

it in now. GEEZZZZZZZ how much will you owe
MEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEE ⁴⁰

Mrs Ravi was copied in on the email.

- [106] In an email to Mr Missaghi of Minter Ellison on 22 September 2015, that Mrs Ravi was cc'd into, Ms Irdi said:

How much do you love usssss our little Persian prince. We thought it might be nice to catch up with Paul when you are here. So we locked in 30mins tomorrow at 3pm. Mate you really need to pump up Kerrys and mine tyres...Make @@@@ up, but pls do it... We owe you 😊⁴¹

Mrs Ravi was copied in on this email as well.

- [107] Mr Missaghi responded by email to both Mrs Ravi and Ms Irdi.
- [108] On a few occasions, however, Ms Irdi engaged in activities for her own benefit. For example, the Commission investigation revealed that Ms Irdi had gotten together with personnel from Grant Thornton or Minter Ellison to get them to send emails to DoC management praising her. The intention was to make Mrs Ravi think Ms Irdi was more competent in her role as a GST Specialist than she was. This was done in connection with Mrs Ravi's endorsement of the renewal of Ms Irdi's contracts. Ms Irdi would not have revealed such activities to Mrs Ravi.

⁴⁰ Email from M Irdi to T Windle, 10 September 2014 (Document 4597785).

⁴¹ Email from Ms Irdi to Mr Missaghi, 22 September 2015 (Document 3537677).

CHAPTER TWO

Allocation of work to consultants

Overview

- [109] Mrs Ravi and Ms Irdi were solely responsible within DoC for allocating GST specialty consulting work.
- [110] They had two preferred firms, Grant Thornton, a firm of accountants and consultants, and Minter Ellison, a firm of lawyers.
- [111] Ms Irdi started referring DoC GST work to Grant Thornton in late 2012 and continued to do so until 2020. After Ms Irdi's arrival at DoC, and with the approval of Mrs Ravi, Grant Thornton became the main provider of GST related work to DoC between 2013 and 2014. After 2014, Minter Ellison also started receiving regular GST related work. Minter Ellison became the main provider of GST related services for DoC between 2017 and 2020.
- [112] Grant Thornton received \$2,093,665⁴² in fees through Mrs Ravi and Ms Irdi's referral of work between 2012 and 2020.
- [113] Minter Ellison received \$5,106,130⁴³ in fees for work performed during the period 2014 and 2020.
- [114] In each case, the amount of work increased rapidly from a low base. A table setting out the amount of work is at Appendix 1.⁴⁴
- [115] In their desire to refer work to Grant Thornton and Minter Ellison, Mrs Ravi and Ms Irdi breached procurement guidelines.
- [116] The Commission considers that Mrs Ravi and Ms Irdi referred work to Grant Thornton and Minter Ellison substantially because of the personal relationship they had with their favoured practitioners at those firms, in particular Mr Azzopardi of Grant Thornton and Mr Missaghi of Minter Ellison, and because of the associated personal benefits provided to Mrs Ravi and Mrs Irdi.⁴⁵

Control of workflow

- [117] Mrs Ravi and Ms Irdi controlled who received GST work from DoC.

⁴² Grant Thornton Fees and Hospitality, Commission analysis. (Document 00249-2020-0387).

⁴³ Minter Ellison Fees and Hospitality, Commission analysis. (Document 00249-2020-0388).

⁴⁴ It also shows the firm's expenditure on 'hospitality'.

⁴⁵ Mr Azzopardi and Mr Missaghi no longer work at Grant Thornton and Minter Ellison respectively.

- [118] In an email dated 1 May 2013, Ms Irdi was able to say to one of the Grant Thornton partners:

I have been feeding work to GT[Grant Thornton]...

You know me, where there is a will there is a way...

I have been directing GST work to Tony Windle...

I have positioned it so that no external consultants can be contacted unless it runs through me...I need to entrench him [Tony] whilst doing this project...

Geez at this rate mate, I will be running GT ...lol.⁴⁶

- [119] Ms Irdi's influence within DoC and her commitment to Grant Thornton is also illustrated in an email she sent to Mr Michael Pittendrigh, Managing Partner on 23 December 2016. In this email, Ms Irdi stated:

...2016 has been another excellent year in the ongoing development of the Housing Authority/GT working relationship. We have just tipped over the \$2m mark in fees.

The Housing Authority of WA is only working with GT because of the strength of my relationships with Azza [Mr Azzopardi] and yourself. I always said when I left GT, that I would never forget those that had supported me through my career and that is you and Azza.⁴⁷

Choice of consultants

- [120] Mrs Ravi was not familiar with either Grant Thornton or Minter Ellison when she started in her position.
- [121] It was Ms Irdi who introduced the Eastern States based staff from both firms to DoC.

Grant Thornton

- [122] Before Ms Irdi started, DoC had been using the 'Big 4' accounting firms for GST work.⁴⁸
- [123] Ms Irdi engaged with her personal contacts at Grant Thornton's Melbourne office within two weeks of starting her role at DoC in May 2012.
- [124] Ms Irdi chose Grant Thornton because of her personal relationship with Mr Azzopardi, who in 2012, was a tax partner in the Melbourne office of Grant Thornton.

⁴⁶ Email from M Irdi to M Pittendrigh, 1 May 2013; (Document 4448363).

⁴⁷ Email from M Irdi to M Pittendrigh, 23 December 2016; (Document 4508475).

⁴⁸ Email from C Rosario on behalf of P Whyte to various DoC staff, cc'ing M Irdi, 20 June 2012; (Document 4066850).

[125] Ms Irdi had worked with Mr Azzopardi for 10 years at William Buck (another accounting firm) and at Grant Thornton.

[126] She said they had a professional relationship and a friendship⁴⁹ which continued after she left Grant Thornton.⁵⁰

[127] The relationship was close. In one email, Ms Irdi told Mr Azzopardi:

I wuv u mate.

But all seriousness, I am so fortunate to of met you all those years ago and I see you like a brother, so need to thank me [sic].⁵¹

[128] Mr Azzopardi was not a GST specialist. The GST specialist partner within Grant Thornton that DoC dealt with at the time was Mr Tony Windle from the Brisbane office. But Ms Irdi primarily worked with and through Mr Azzopardi.

[129] The GST work performed by Grant Thornton for DoC was done by staff based in the Melbourne, Sydney and Brisbane offices of Grant Thornton.

[130] Later, in 2020, Mr Azzopardi started work as a partner at the Melbourne office of another national accounting and consulting firm. That firm subsequently became the consulting firm providing Ms Irdi's services to DoC.

Minter Ellison

[131] Minter Ellison is a leading national commercial law firm.

[132] Minter Ellison was already on the DoC panel to provide legal services. It had secured this authorisation without any involvement of Ms Irdi or Mrs Ravi.

[133] However, it was Ms Irdi who was responsible for promoting the GST services of Minter Ellison within DoC, and, with Mrs Ravi, awarding Minter Ellison GST work.

[134] In March 2014, Ms Irdi made contact with a partner at Minter Ellison's Victorian office, Mr Don Clarke, about potential GST work for Minter Ellison.⁵² Ms Irdi and Mr Clarke had previously had business dealings.

[135] Ms Irdi told Mr Clarke she would like to have an '*off the record discussion*' with the Minter Ellison GST Partner, and requested a review of a private tax ruling obtained by the DoC at '*no obligation to get a feel*', and that

⁴⁹ M Irdi transcript, private examination, 11 August 2020, p 2.

⁵⁰ M Irdi transcript, private examination, 7 August 2020, p 11.

⁵¹ Email from M Irdi to M Azzopardi, 15 December 2016. (3994841).

⁵² Email from M Irdi to D Clarke, 28 March 2014; (Document 6554008).

following that, she would then be happy to 'push' DoC GST work to Minter Ellison.⁵³

- [136] On 11 September 2014, Ms Irdi emailed Mr Clarke about a meeting arranged for 30 September 2014 in Perth entitled 'Introduction by Maria Irdi (DOH)⁵⁴ to Minters Melbourne'. Ms Irdi said:

We need to speak strategy before the meeting pls.

I will also try and see if I can get you an audience with our DG, but I need an angle.

It can not be about selling Minters, I am thinking about you as an entrepreneur, all the boards you sit on, the networks you may know, important people etc etc that may prick Grahame [sic] ears.

Remember, the DoH partner with people to provide affordable housing, so if you can personally help achieve our strategy, then need I say more ??? [sic]⁵⁵

- [137] On the same date, Mr Clarke replied:

I appreciate the effort but I do not think that will work – I could not make my CV look good enough in the property space.

Yes, I do know a lot of people, but not particularly in the property space and, at present, I am on one Board only – [Redacted company name] - [which] is hardly relevant to DoH in WA.⁵⁶

- [138] On 26 August 2015, Ms Irdi told Minter Ellison:

I also promise that Minters will continue to receive a lot more work from Housing.

I am managing that very closely.⁵⁷

- [139] The Commission does not suggest Mr Clarke acted inappropriately in his interactions with Ms Irdi.

- [140] Minter Ellison became the main provider of GST related services for DoC between 2017 and 2020.

- [141] Ms Irdi's referral of work to Minter Ellison was heavily influenced by the personal relationship she formed with Mr Matthew Missaghi. In 2014 he was a Senior Associate at Minter Ellison, based in Melbourne.

- [142] Ms Irdi believed that Mr Missaghi was assisting her retain an involvement in the GST project at DoC. In an email, Ms Irdi said:

⁵³ Ibid.

⁵⁴ The Department of Housing subsequently became part of the Department of Communities.

⁵⁵ Email from M Irdi to D Clarke and cc'ing B Gasser, 11 September 2014; (Document 4023265).

⁵⁶ Email from M Irdi to D Clarke and cc'ing B Gasser, 11 September 2014; (Document 4023265).

⁵⁷ Email from M Irdi to B Gasser, M Missaghi and cc'ing D Clarke, 26 August 2015; (Document 3798282).

Yes I have formed a very strong friendship and alliance with Matthew Missaghi senior counsel at Minters, we get on like a house of fire.

*It is a win win for both of us and he is helping me drag this out as long as possible.*⁵⁸

[143] By 26 November 2015, Ms Irdi told Mr Missaghi:

*You are a brother to me mate, the type of brother I always wanted.*⁵⁹

[144] Their friendship was such that Ms Irdi referred to Mr Missaghi as her 'Persian Prince'.⁶⁰

[145] All of the DoC GST work performed by Minter Ellison was done by personnel located in Melbourne.

Breach of procurement rules

[146] Mrs Ravi and Ms Irdi breached Western Australian Government procurement rules when giving work to Grant Thornton and Minter Ellison.

Grant Thornton

[147] Mrs Ravi and Ms Irdi repeatedly disclosed confidential information to Grant Thornton, helping it get work.

[148] This conduct began on 13 June 2012, one month after Ms Irdi started at DoC, when she shared parts of the PwC Review with Grant Thornton.

[149] The document was clearly marked 'Cabinet in Confidence'.

[150] In the email of 13 June 2012, Ms Irdi said:

...

Please find attached, the executive summary which must remain confidential, ...

The fee can not exceed \$1.5 million and it must deliver an efficiency dividend to the Dept of \$52.5m, in the form of Gst refunds and ongoing savings.

*The chance of Grant Thornton being considered maybe slim, but if one of the big 4 do not abide by our fee conditions, then they will not be used and we need to move fast [sic].*⁶¹

[151] Mrs Ravi was a party to this email.

⁵⁸ Email from M Irdi to G Irdi, 30 July 2015. (Document 3814917). The reference to "drag this out" is believe to be a reference to the assistance that Mr Missaghi gave to Ms Irdi to drag out DoC to assist Ms Irdi to remain relevant and obtain further contracts with DoC.

⁵⁹ Email from M Irdi to M Missaghi, 26 November 2015; (Document 3983686).

⁶⁰ Email from M Irdi to M Missaghi, 4 February 2016; (Document 4048007).

⁶¹ Email from M Irdi to C Vittas, cc'ing K Ravi, b'ccing M Azzopardi, 13 June 2012; (Document 3797532).

[152] Ms Irdi frequently disclosed prices provided by competitors to Grant Thornton. This information was not requested by Grant Thornton, but Grant Thornton did not tell her to stop. Ms Irdi did not provide Grant Thornton's quotes to the other firms seeking work.

[153] In her evidence to the Commission, Ms Irdi agreed that, where competing quotes were required, her practice had been to ensure Grant Thornton got the work by telling it the value of the quote from the competing firm or firms.⁶²

[154] One example of this practice occurred on 22 January 2013, when Ms Irdi forwarded a competing 'Big 4' accounting firm's proposal to Grant Thornton and stated:

What the heck is this?

[a competing big 4 accounting firm] fee is 135k which is to [sic] high, come in at 100k or if you think is worth less then less.[sic]⁶³

[155] Grant Thornton then provided a proposal on the same work at a price of \$95,000, discounted by \$28,000.⁶⁴

[156] Another example of this tactic occurred on 18 March 2014.

[157] Ms Irdi sought a quote from Grant Thornton for DoC work. In the email she said:

Guys, one more thing, I have been asked to get a 2 quotes [sic]. As Kerry said I need to cover my @@@@, as [a competing big 4 accounting firm] are starting to get a little nasty with me, so the chances are they may say I am showing preferential treatment, BUT we have good reasons, so I am not that worried, but a lot of work I just flick to you guys.

She just wants to protect me in case Paul and the exec question me going forward as [a competing big 4 accounting firm] have a bit of pull with treasury.

So with below, I will get [a different competing 'Big 4' accountancy firm] to quote, they will be far to expensive [sic]⁶⁵

[158] Mrs Ravi gave evidence that she was aware that Ms Irdi provided Grant Thornton with details of other firm's quotes, and that Ms Irdi sent confidential documents to Grant Thornton for the purpose of Grant Thornton being able to quote for the work.⁶⁶

⁶² M Irdi transcript, private examination 21 June 2021, p 48.

⁶³ Email from M Irdi to S Hartley, cc'ing M Mucciacciaro, 22 January 2013; (Document 3813389).

⁶⁴ Email from S Hartley to L Brooks, cc'ing M Irdi, M Mucciacciaro, 5 February 2013; (Document 3900315).

⁶⁵ Email from M Irdi to T Windle, cc'ing S Mok, M Azzopardi, 18 March 2014; (Document 4015079).

⁶⁶ K Ravi transcript, private examination, 23 June 2021, p 28 - 29.

[159] Mrs Ravi did not take any action, although she knew that this breached government procurement requirements. In her oral evidence, Mrs Ravi agreed there were occasions when a second quote was required, but the second quote was obtained from a firm Ms Irdi anticipated would quote higher.⁶⁷ Mrs Ravi also agreed that there were occasions where, given the value of the work, more than one quote should have been sought but it was not.⁶⁸

Minter Ellison

[160] The procurement rules were also breached when awarding work to Minter Ellison.

[161] For example, on 11 March 2015, after receiving a quote for work of \$8,500 (plus GST) from Minter Ellison, Ms Irdi asked:

Is there any way we can sharpen the pencil a little on this one.

I don't want them asking for a 2nd quote.

*Are you at all able to keep it under \$8k plus gst?*⁶⁹

[162] Mr Missaghi agreed to keep his quote under \$8,000.

[163] Ms Irdi commented:

Hopefully you can take lessons learnt from the other one, so it shortens your cost exposure, as I want you to make money.

*If you can even call it \$7950, just perception.*⁷⁰

[164] On 3 December 2015, Mr Missaghi quoted \$6,000 for a piece of work. Ms Irdi said:

*Mate can you pls make it \$5k as they want you, but anything over \$6k they need more quotes.*⁷¹

[165] The quote for work was subsequently changed to \$5,000.⁷²

[166] In another example, on 11 April 2016, Mr Missaghi quoted \$20,000 to prepare an ATO submission. Ms Irdi replied:

*Matty has to be 20k inc of GST or break fee in 2...cos Kerry cant approve otherwise.*⁷³

⁶⁷ K Ravi transcript, private examination, 23 June 2021, p 29.

⁶⁸ K Ravi transcript, private examination, 23 June 2021, p 29.

⁶⁹ Email from M Irdi to M Missaghi and cc'ing B Gasser, 11 March 2015 (Document 3988084).

⁷⁰ Email from M Irdi to M Missaghi and cc'ing B Gasser, 11 March 2015 (Document 3988084).

⁷¹ Email from M Irdi to M Missaghi, 3 December 2015. (Document 3956267).

⁷² Email from M Missaghi to M Irdi, 3 December 2015. (Document 3956267).

⁷³ Ibid. Email from M Missaghi to M Irdi, 11 April 2016. (Documents 4044800).

[167] Mr Missaghi agreed to break it up so that Mrs Ravi would be able to approve it.⁷⁴

[168] This practice is known as 'invoice splitting'. It is used to circumvent procurement rules by keeping invoices under delegated approval limits.

The benefits to the firms

[169] Both Grant Thornton and Minter Ellison are large firms. The amount each firm separately billed to DoC would not have affected the financial viability of either firm.

[170] However, accounting and legal firms evaluate partners and senior staff on the amount of fees they generate, amongst other things.

[171] In many ways, the ability to attract and secure work is just as important as technical ability for advancement and influence within accounting and law firms.

[172] The DoC was a significant client for specialist GST practitioners because it generated a regular workflow. Most GST work is transactional.

[173] During an intercepted telephone conversation between Mr Missaghi and Ms Irdi on 30 October 2020, Mr Missaghi said:⁷⁵

Mr Missaghi: Housing was a was a golden goose.

Ms Irdi: I know.

Mr Missaghi: let's not kid ourselves.

Ms Irdi: I know.

Mr Missaghi: Like that was the reason why I got to partnership.

Ms Irdi: Yeah, I know.

[174] On 15 July 2020, in an intercepted telephone call with 'Mr P', Ms Irdi discussed her relationships with Minter Ellison and Matthew Missaghi:⁷⁶

Ms Irdi: Matt has only just made partner so we've

Mr P: Mm hm.

Ms Irdi: dealt with him for many years up to partner uhm

Mr P: Yep.

⁷⁴

⁷⁵ Telephone intercept M Missaghi and M Irdi, 30 October 2020. (Document 00249-2020-0314-1). M Missaghi, private examination transcript, 17 June 2021, p 53 - 54.

⁷⁶ Telephone intercept M Irdi and Mr P, 15 July 2020; (Document 00249-2020-0301-3).

Ms Irdi: and he's only just made it based on the Housing gig by the way he made partner uhm

Mr P: Yep

Ms Irdi: because you know pretty much I gave him pretty much all of our fees ...

Summary

- [175] Mrs Ravi and Ms Irdi controlled a significant volume of GST work which they directed to their preferred consultants.
- [176] The referral of work was a benefit to those firms, and more particularly, Mrs Ravi and Ms Irdi's favoured practitioners with those firms, Mr Azzopardi and Mr Missaghi.
- [177] Referral of work was presented as a personal favour. It was not the result of impartial competition, because Mrs Ravi and Ms Irdi breached procurement policy in ways that favoured Grant Thornton and Minter Ellison.
- [178] There is no evidence that Grant Thornton and Minter Ellison carried out their work poorly. Repeated instructions may well have given those firms familiarity with and expertise in the issues raised by DoC GST work. During the course of the VFM Project, substantial refunds were obtained. The Commission does not suggest that those firms were incompetent or failed to obtain a successful outcome for DoC. Minter Ellison assisted the DoC in obtaining a favourable outcome from the ATO. However, Grant Thornton and Minter Ellison were not uniquely qualified to do DoC GST work.
- [179] While it is unlikely that Mrs Ravi and Ms Irdi would have allocated work to firms they thought were incompetent, the Commission considers that the effective reason for Mrs Ravi and Ms Irdi to allocate work to Grant Thornton and Minter Ellison was the personal relationships they had with their favoured practitioners, and the benefits they obtained from those relationships. Those benefits are discussed in Chapters 4, 5 and 6.

CHAPTER THREE

Grant Thornton and the DoC legal panel

Introduction

- [180] The CUA is a government wide arrangement to facilitate the purchase of standard goods and services.
- [181] Providers of goods and services are vetted through a centralised tendering process and then placed on a panel of approved CUA providers. Public officers may buy direct from providers on the CUA panel for goods and services falling within the scope of the CUA authorisation and within the officer's individual limits. Purchasing officers do not need to seek additional approval. The CUA panel of providers supply on standardised terms and conditions. Appointments to the CUA panel are for a fixed term. The panel is 'refreshed' from time to time.
- [182] In November 2017, Grant Thornton informed Mrs Ravi and Ms Irdi that it had failed to make a timely submission to continue to be included on the CUA for Audit Services and Financial Advice.
- [183] This chapter examines what Mrs Ravi and Ms Irdi did as a consequence.

The problem

- [184] The CUA refresh was to be effective from 1 July 2018, but tenders were required to be submitted no later than 10 October 2017.⁷⁷ In Grant Thornton's case, an internal error led it to being one week too late with its tender.
- [185] If nothing was done, Mrs Ravi and Ms Irdi would not have been able to allocate any work to Grant Thornton after 30 June 2018 without prior written approval of an authorised officer of the Department of Finance. In practical terms, this meant they would not be able to allocate work to Grant Thornton after 30 June 2018.
- [186] Ms Irdi thought this was a very bad outcome.
- [187] She said in an email to Grant Thornton on 10 November 2017:⁷⁸

Guys to say that I am personally extremely frustrated and disappointed is an understatement, I worked so hard to put GT on the map in WA with Govt agencies. GT had zero presence. I worked against the big 4, who were constantly back

⁷⁷ Email from D O'Brien to I Herman, 28 February 2018; (Document 4575956).

⁷⁸ Email from M Irdi to M Pittendrigh, E Lucas, I Herman, 10 November 2017; (Document 3877351)

dooring me to the Director General when they were not receiving work. I managed that and I grew GT's presence.

To date, GT has secured if not over \$3m in fees from Housing it would be very close to. The current project that Azza [Mr Azzopardi] has been offered should hit \$1m. The first part is approx. \$500k. All the efforts to date I feel has now been jeopardised and not to get on the CUA makes us all look incompetent.

[188] On 5 December 2017, Mrs Ravi and Ms Irdi met with an executive of Grant Thornton who had travelled to Perth to personally discuss possible solutions.⁷⁹

[189] On 20 February 2018, Grant Thornton's then Chairman, Mr Tony Crawford, and the Chief Operation Officer, Mr Ian Herman met with Mrs Ravi and Ms Irdi in Perth.

[190] On 1 March 2018, in an email which recorded the outcomes of the above meeting, Mrs Ravi said to Mr Crawford:

...our main aim is to find a solution to enable the HA [DoC] and GT to continue working together post June 30, 2018.⁸⁰

The solution

[191] In addition to the CUA panel, DoC legal directorate had a panel of lawyers it used to obtain legal advice.

[192] The 'solution' which was developed was to:

- 'refresh' the existing DoC panel of lawyers to include lawyers with specific GST expertise;
- structure the tender process so that Grant Thornton's incorporated legal practice, 'Grant Thornton Tax Lawyers Pty Ltd' (GT Legal) had the inside running to the DoC legal panel;⁸¹ and
- get the tender evaluation panel to appoint GT Legal to the DoC legal panel.

Implementation

[193] The first step was to persuade the DoC legal directorate to refresh the panel of lawyers to include specialist GST practitioners. Ms Irdi complained that the panel did not include law firms which had adequate GST expertise.

⁷⁹ Email from I Herman to M Irdi and K Ravi, 6 December 2017; (Document 3610317)

⁸⁰ Email from K Ravi to T Crawford, cc'ing I Herman, 1 March 2018; (Document 3333511)

⁸¹ On 3 April 2018, Grant Thornton Legal Pty Ltd changed its name to "Grant Thornton Tax Lawyers Pty Ltd". Mr Barraha was added as a Director to this new entity on the same date. A number of Grant Thornton's partners were qualified as lawyers as well as accountants.

- [194] Mrs Ravi and Ms Irdi did not disclose Grant Thornton's circumstances to other personnel within the DoC.
- [195] Ms Amanda Shaw and Mr Todd Mettam were employees of DoC who were on the Evaluation Panel for the tender. They gave evidence to the Commission that they were unaware that the reason for the entire exercise was Grant Thornton's failure to meet the CUA refresh deadline.⁸²
- [196] Ms Irdi wanted to keep it a secret. In her email of 10 November 2017, she said:
- I need to ensure now that the DG does not find out about this error, so a lot for me to do.*⁸³
- The expression, 'this error' referred to Grant Thornton's failure to submit its CUA tender response in time.
- [197] Ms Irdi shaped the tender process so that it favoured Grant Thornton/GT Legal.
- [198] The proposed tender was a 'restricted' tender, that is, the invitation to tender was only sent to legal firms who had already been identified as having GST expertise.
- [199] Ms Irdi was responsible for identifying legal firms with GST expertise.
- [200] She involved Grant Thornton in that process.
- [201] On 27 February 2018, Mr Andrew Barrah, Indirect Tax Partner at Grant Thornton, sent Ms Irdi an email containing eight specific questions for her to use to evaluate the GST capabilities of other firms.⁸⁴
- [202] These questions formed the basis of:
- the evaluation of the existing panel's GST experience;
 - the conclusion that the existing DoC legal panel firms had insufficient GST expertise;
 - identification of the firms that would be invited to respond to the limited tender;
 - the 'Specification/Statement of Requirements' that Ms Irdi later included into the restricted tender document; and

⁸² A Shaw transcript, private examination, 26 August 2020, p103; T Mettam transcript, private examination, 26 August 2020, p 71 - 72.

⁸³ Email from M Irdi to M Pittendrigh, E Lucas, I Herman, 10 November 2017; (Document 3877351)

⁸⁴ Email from A Barrah to M Irdi and G Higgins, 27 February 2018; (Document 3334335).

- the Evaluation Panel's evaluation of the tenderers.

[203] The questions advantaged Grant Thornton. They referred to aspects of GST practice which Grant Thornton had dealt with as part of its earlier work with DoC.

[204] On 24 April 2018, Ms Irdi emailed Grant Thornton:

You will receive an invite to apply for a restricted tender for the legal Panel.

I have had to include a 2nd legal firm as part of the process.

...Please ensure you comply with the tender to make my job easier. Then you should be right for all future tax work!...

If treasury find out you are not on the CUA past June my reputation will be questioned as I made that happen [sic].⁸⁵

[205] Ms Irdi received a number of replies from senior Grant Thornton personnel:

Your continued support is unprecedented and is really appreciated.⁸⁶

We are very, very appreciative of your support and counsel. You have gone above and beyond to support us.⁸⁷

We really appreciate your efforts as none of this would be possible without you pushing our cause. See you at lunch on Thursday! GT's shout.⁸⁸

[206] Ms Irdi helped Grant Thornton to prepare its tender. The tender was ultimately submitted by Mr Barrah, who had helped Ms Irdi prepare the evaluation questions.

[207] There is a DoC Handbook to assist persons evaluating tenders. Ms Irdi was provided with a copy on 10 May 2018. Section 3.3.4 sets out the requirements regarding bias:

The evaluation process must be free of bias and any perception of bias. Any connections between an evaluation panel member and a Tenderer must be disclosed to the evaluation panel Chairperson. Evaluation panel members and supplementary members should not accept gifts from Tenderers and should limit contact with Tenderers during the evaluation process.⁸⁹

⁸⁵ Email from M Irdi to I Herman, M Azzopardi, M Pittendrigh, 24 April 2018; (Document 4459389).

⁸⁶ Email from I Herman to M Irdi, 24 April 2018; (Document 4459389).

⁸⁷ Email from M Pittendrigh to M Irdi, 24 April 2018. (Document 4459402).

⁸⁸ Email from M Azzopardi to M Irdi, I Herman, M Pittendrigh, cc'ing A Barrah, 24 April 2018; (Document 4459403).

⁸⁹ Email from J Spry to M Irdi and others, 10 May 2018; (Document 3891794).

- [208] In April and May 2018, Ms Irdi completed two internal DoC 'Conflict of Interest' forms as part of her role on the tender evaluation panel.⁹⁰
- [209] In both forms, Ms Irdi failed to disclose any conflict of interest between herself and Grant Thornton/GT Legal, despite her long-standing working and personal relationship with Grant Thornton employees and her involvement with Grant Thornton personnel in the tender process.
- [210] She did not disclose that she had received three dinners paid for by Grant Thornton during the tender process, one at Crown restaurant Modo Mio for \$478.70.⁹¹
- [211] Ms Irdi was actually biased in favour of Grant Thornton. On her version of events, she was instrumental in persuading the Evaluation Panel to choose Grant Thornton.
- [212] On 23 May 2018 Ms Irdi emailed Grant Thornton, from her private Gmail address, and said:

...GT will be recommended to join Panel - Strictly Confidential...pls wait to be advised...

...The proposal did not hit what was required and I had to do a lot of fast talking.

My score brought you up and reasoning for it.

Unlike the other proposal received, it did not cover on support staff and that was required....The other proposal received high scores all round.⁹²

The result

- [213] The tender panel report was finalised on 19 June 2018.
- [214] GT Legal was successful.
- [215] On 21 June 2018, Ms Irdi sent an email to Mr Azzopardi, Mr Herman, Mr Pittendrigh and Mr Barrah, congratulating them on being admitted to the DoC legal panel. Ms Irdi stated:

Congratulations guys you have successfully been admitted to our legal panel.

...then I may commence using GT legal from 1/7.

⁹⁰ Email from M Irdi to A Shaw, 10 April 2018; (Document 3883669); Email from M Irdi to A Shaw, 10 April 2018; (Document 3879932)

⁹¹ Modo Mio Receipt, 11 April 2018 (Document 4445415); The amount identified is a price for the meal as a whole. Ms Irdi was not the sole attendee.

⁹² Email from M Irdi to A Barrah, I Herman, M Azzopardi, M Pittendrigh, 23 May 2018; (Document 4526637).

This of course does not help you with non tax work, so I hope your other strategy is being pushed, especially in light of the treasury work you have been awarded here in WA.

As far as tax work goes, that continues. 😊

- [216] Following receipt of Ms Irdi's confirmation email, Mr Herman sent the following email to Mr Azzopardi:

Time for a lunch with Maria (and even a personal gift?).⁹³

- [217] As a result of the tender orchestrated by Ms Irdi, Grant Thornton continued to receive GST related work from DoC by virtue of their position on the DoC legal panel.

- [218] This work was the same work as before Grant Thornton's CUA slip up.

- [219] An intercepted telephone conversation between Ms Irdi and Mr Barrah shortly after she gave evidence to the Commission regarding the CUA issue demonstrates her lack of remorse and acknowledgment to her conduct:

Irdi: Do you know, I, I can honestly say this. I don't regret anything I've done to help.

Barrah: Yeah

Irdi: get you guys on the panel. I don't...regret it at all.

Irdi: I'm, you know, I would do it again but I would do it differently. I just wouldn't..have it in my emails (laughs)⁹⁴

Mrs Ravi's involvement

- [220] In her oral evidence to the Commission, Mrs Ravi tried to distance herself from getting Grant Thornton onto the DoC legal panel. Mrs Ravi was not present during the tender evaluation meeting and was not copied in on some of the emails Ms Irdi sent to Grant Thornton.

- [221] However, the Commission does not accept Mrs Ravi had no responsibility or involvement. While Ms Irdi was the arms and legs of the corrupt tender process, Mrs Ravi was involved in developing the solution to Grant Thornton's problem. She was aware of what Ms Irdi was doing. It was in Mrs Ravi's personal interest for the relationship with Grant Thornton to continue.

- [222] At the very least, Mrs Ravi had a duty to prevent Ms Irdi's misconduct. Mrs Ravi did nothing.

⁹³ Email from I Herman to M Azzopardi, 21 June 2018; (Document 4485862).

⁹⁴ Telephone intercept M Irdi and A Barrah, 12 August 2020; (Document 00249-2020-0296-1).

CHAPTER FOUR

Hospitality and gifts

Overview

[223] In her oral evidence, Ms Irdi said:

It's quite obvious if you receive gifts there's an unspoken entitlement for something, right? And that doesn't work.⁹⁵

[224] Mrs Ravi gave evidence to the same effect.

[225] Despite knowing that it was improper to do so, Mrs Ravi and Ms Irdi accepted gifts and hospitality from Grant Thornton and Minter Ellison. Indeed, they actively sought gifts and entertainment, and used their control over the flow of GST work and their personal relations, principally with their favoured practitioners at those firms (Mr Azzopardi and Mr Missaghi), to procure it.

[226] They did not declare the hospitality or gifts. By accepting those gifts and favours, Mrs Ravi and Ms Irdi came under an obligation to do favours for Grant Thornton and Minter Ellison in return.

[227] This chapter describes the hospitality and gifts received by Mrs Ravi and Ms Irdi from Grant Thornton and Minter Ellison and their approach to hospitality and gifts.

Hospitality

[228] Grant Thornton and Minter Ellison frequently entertained Ms Irdi and Mrs Ravi with meals and drinks, particularly when Grant Thornton and Minter Ellison personnel from interstate would visit the DoC Perth offices. These expenses were principally incurred by Mr Azzopardi, Mr Barrah and Mr Missaghi.

[229] The value of the hospitality provided by Grant Thornton between 2012 and 2020 was \$34,737.^{96 97}

[230] The value of the hospitality provided by Minter Ellison between 2014 and 2020 was \$76,859.^{98 99}

⁹⁵ M Irdi, transcript private examination, 7 August 2020, p 27.

⁹⁶ Grant Thornton Fees and Hospitality, Commission analysis; (Document 00249-2020-0387).

⁹⁷ Grant Thornton staff attended hospitality events along with Mrs Ravi and Ms Irdi. The figures given are the total expenses recorded by Grant Thornton.

⁹⁸ Minter Ellison Fees and Hospitality, Commission analysis; (Document 00249-2020-0388).

⁹⁹ Minter Ellison staff attended hospitality events along with Mrs Ravi and Ms Irdi. The figures given are the total expenses recorded by Minter Ellison.

[231] 'Hospitality' typically involved 'high end' restaurants in Perth such as Silks, Rockpool, Epicurean, Balthazar, Zafferanos, Matilda Bay, Perugino's, C Restaurant, and Crown Nobu.

[232] These meals were generally in the order of hundreds of dollars, with a handful exceeding \$1,000.00¹⁰⁰.

A pro-active approach

[233] Mrs Ravi and Ms Irdi were 'pro-active' in seeking out hospitality from Grant Thornton and Minter Ellison, principally through Mr Azzopardi and Mr Missaghi.

[234] The Grant Thornton personnel performing the DoC work were based in Melbourne, Sydney and Brisbane. Minter Ellison personnel were based in Melbourne.

[235] They flew to Perth regularly to confer with Mrs Ravi and Ms Irdi.

[236] When they came to Perth, Mrs Ravi and Ms Irdi made sure Grant Thornton and Minter Ellison provided an 'appropriate' level of hospitality. This was principally through Mr Azzopardi, Mr Barrah and Mr Missaghi.

[237] The following are typical exchanges.

[238] By email on 17 March 2014, Ms Irdi confirmed that she and Mrs Ravi were having lunch with Grant Thornton, and said:

Just confirming we are still on for lunch this wed. You better bring a big credit card!! 😊¹⁰¹

[239] On 3 June 2015, Ms Irdi emailed Mr Azzopardi, copying Mrs Ravi and said:

Hey Budha, any chance of corp seats [for AFL game] Saturday night week. Kerry will be in town next Friday.¹⁰²

[240] On 20 January 2016, Ms Irdi was sent an invitation to the Australian Open in error by Grant Thornton. When the invitation was withdrawn, Ms Irdi directly asked for an invitation. Mr Azzopardi offered her lunch instead. She replied: ¹⁰³

Good save lol

Lunch will be great vs semi finals and dinner, let me see. (\$1m client)

No all good, I actually went on Monday as guests of Minters.

¹⁰⁰ Personnel from Grant Thornton or Minter Ellison attended events as well as Mrs Ravi and Ms Irdi.

¹⁰¹ Email from M Irdi to M Mucciariaro, cc'ing K Ravi, 17 March 2014; (Document 3617149).

¹⁰² Email from M Irdi to M Azzopardi, cc'ing K Ravi, 3 June 2015; (Document 3982551).

¹⁰³ Email from M Irdi to M Azzopardi and P Blakeney, 20 January 2016; (Document 3890402).

[241] On 21 November 2017, Mrs Ravi emailed Ms Higgins (Grant Thornton) and said:¹⁰⁴

We (Maria, Anthony and me) would like to go to Zaffarano if we can get in or Galileo. How does suit you guys [sic].

[242] This dinner took place at a cost of \$1,305.32 at Zafferano restaurant and was expensed by Grant Thornton as 'client xmas dinner'.¹⁰⁵

[243] On 22 January 2015, Mr Windle (Grant Thornton) sent Ms Irdi and Mrs Ravi a list of high-end restaurants near Perth and said, '*I have cut the list out of nominees so we can appropriately track our progress against the KPI we have set ourselves*'.¹⁰⁶ The KPI Mr Windle was referring to was a list of high-end restaurants Ms Irdi, Mrs Ravi and Grant Thornton personnel wished to attend together at Grant Thornton's expense.

[244] On 14 July 2015, Ms Irdi suggested to Mr Missaghi (Minter Ellison), that they have dinner at Modo Mio at Crown.¹⁰⁷

[245] In September 2015, after Ms Irdi confirmed to Mr Missaghi that she secured a meeting between Mr Missaghi and Mr Whyte, Mr Missaghi made a lunch booking for Ms Irdi and Mrs Ravi at Lalla Rookh.¹⁰⁸

[246] Apart from receipt of the hospitality itself, Mrs Ravi also provided some Minter Ellison and Grant Thornton personnel with her personal Crown membership card/number, which was then used when purchasing meals, drinks and accommodation at Crown venues.¹⁰⁹ This resulted in Mrs Ravi earning Crown membership points. Mrs Ravi gave evidence that she redeemed the Crown membership points for restaurants, alcohol and gambling at the casino.¹¹⁰

Gifts

[247] Mrs Ravi and Ms Irdi received gifts from both Grant Thornton and Minter Ellison.

¹⁰⁴ Email from K Ravi to G Higgins, A Beor, M Azzopardi, M Irdi, A Barrah, 21 November 2017; (Document 3758190).

¹⁰⁵ Grant Thornton Fees and Hospitality, Commission analysis; (Document 00249-2020-0387).

¹⁰⁶ Email from T Windle to K Ravi, M Irdi, D Domeracki (Grant Thornton), 22 January 2015; (Document 3392711).

¹⁰⁷ Email from M Irdi to M Missaghi and K Ravi, 14 July 2015; (Document 3609131).

¹⁰⁸ Email from M Missaghi to K Ravi and M Irdi, 22 September 2015; (Document 3537677).

¹⁰⁹ Crown Casino Document (Document 00249-2020-0383).

¹¹⁰ K Ravi, transcript private examination, 23 June 2021, p 72.

[248] The gifts from Grant Thornton included alcohol,¹¹¹ flowers,¹¹² corporate box football,¹¹³ tennis tickets,¹¹⁴ international basketball game tickets,¹¹⁵ and expensive glassware at Christmas time.¹¹⁶

[249] The gifts from Minter Ellison included corporate box tennis tickets¹¹⁷ and spa vouchers.¹¹⁸

Declarations

[250] Mrs Ravi and Ms Irdi were required to declare any gifts, benefits or hospitality which they received.

[251] Mrs Ravi and Ms Irdi declared none of the hospitality or gifts they received.

[252] In fact, attempts were made to conceal the receipt of gifts.

[253] As an example, in December 2015, after Ms Irdi was sent an email apologising and informing her that the gift from Grant Thornton would not get to her address by Christmas, Ms Irdi replied to Mr Windle:

Thank you for your kind thought mate. I think Kerry is feeling left out, you may want to send something to [sic], to her home address.

[254] Mr Windle then replied:

Okay sure. I didn't think we were allowed in previous years.

Will sort out tonight.

[255] Ms Irdi then replied:

*Home address is ok mate, that way no one knows.*¹¹⁹

¹¹¹ Japanese whiskey \$79.89 T Windle to M Irdi, 15 December 2014; (Document 4444983).

¹¹² From G Higgins to K Ravi 15 June 2017; (Document 4445324).

¹¹³ From M Azzopardi to M Irdi (and M Irdi's partner), 11 July 2018; (Document 3838916).

¹¹⁴ From M Azzopardi to M Irdi, Australian Open Tickets, 17 January 2019; (Document 3780005).

¹¹⁵ From M Azzopardi to M Irdi - Aus v USA basketball game, 22 August 2018; (Document 4659367).

¹¹⁶ Mondo Piero \$765 to K Ravi and M Irdi, 25 November 2017 (Document 4445460), Tealights \$150 each to K Ravi and M Irdi from M Azzopardi, 9 December 2016 (Document 4445398); Dinner Plates and Vase \$1030 from A Barrah to K Ravi and M Irdi, 11 December 2018; (Document 4445487).

¹¹⁷ 00249-2020-0388 -Summary of Payments - Minter Ellison.

¹¹⁸ From M Missaghi to M Irdi, 26 April 2016 and 20 December 2016; (Document 4049465 and 4034817).

¹¹⁹ Email exchange between T Windle and M Irdi, 22 December 2015; (Document 3972475).

CHAPTER FIVE

Travel

Introduction

- [256] Ms Irdi and Mrs Ravi both travelled to the Eastern States, ostensibly for work conferences and meetings.
- [257] The Commission investigated the following four trips:
- Sydney in December 2014;
 - Brisbane in March 2016;
 - Brisbane in April 2016; and
 - Melbourne in September 2016.
- [258] The Commission's investigation revealed that Grant Thornton and Minter Ellison made payments for Ms Irdi's expenses associated with the travel.
- [259] Mr Missaghi assisted with the manipulation of DoC itineraries to enhance the benefits to Mrs Ravi and Ms Irdi, and to enable them to undertake sightseeing and tourist activities while they were ostensibly working.
- [260] Ms Irdi gave the level of work being referred to Grant Thornton as a reason to cover travel expenses.¹²⁰
- [261] Mrs Ravi and Ms Irdi took days off while they were away. Mrs Ravi did not apply for leave. Ms Irdi submitted time sheets claiming she was working.
- [262] Two examples are discussed below.

Sydney, December 2014

- [263] Ms Irdi and Mrs Ravi were invited to attend a Grant Thornton client panel event titled 'Growing new markets: Australia's place in Asia'.
- [264] The event was to take place on Thursday, 4 December 2014, for just two hours, 5.30pm to 7.30pm.
- [265] This invitation was the basis for Mrs Ravi's business case to travel to Sydney from 3 to 6 December 2014.

¹²⁰ Email from M Irdi to M Azzopardi, 13 November 2014; (Document 4494077).

[266] Her submission in the travel proposal for this trip said that attendance at this conference was '*critical to delivering the program outcomes for the Housing Authority*'.¹²¹

[267] Ms Irdi went to the event as well.

[268] She got Grant Thornton to meet her expenses. The following email exchange shows Ms Irdi's negotiations with Grant Thornton.

[269] Ms Irdi emailed Ms Priscilla Blakeney of Grant Thornton, copied to Mr Azzopardi, on 13 November 2014:

*Kerry just informed me that the Dept is flying her in on the Wed 3rd Dec, I will confirm flights shortly, therefore could you also pls arrange for me to fly in and accommodation for the Wed evening [sic].*¹²²

Mr Azzopardi replied:

What are you doing to me?? We offered a night's flights and accom to attend the function, I agreed earlier to including Fri nite as well and now u want Wed nite as well. How about we stick to the original plan of Thurs morning flight and 2 nites accom only? [sic].

*Pris will also organise Melb and Syd pick up and drop off. I trust u understand.*¹²³

Ms Irdi replied, expressly referring to the amount Grant Thornton billed DoC:

Sorry I meant to add, please just send me the bank details and cost and I will do a bpay with pleasure for you...

But off the record Budha [Mr Azzopardi], maybe the powers that be should look at the fees I have sent across to GT nationally if they complain, you will find we are heading over the \$1m very quickly plus all the intro's provided.

*Not to mention DoH is Tony's largest Australian client.*¹²⁴

Grant Thornton gave in. Ms Irdi got the extra night.

[270] In addition, Grant Thornton supplied a private driver for Ms Irdi and Mrs Ravi and transport to and from the airport. It also provided dinner at Altitude Restaurant in Sydney on Friday 4 December 2014 at a cost of \$850.00.

[271] Mr Windle gave evidence that:

¹²¹ K Ravi, private examination transcript, 23 June 2021, p 84.

¹²² Email from M Irdi to M Azzopardi, 13 November 2014; (4494077).

¹²³ Email from M Irdi to M Azzopardi, 13 November 2014; (4494077).

¹²⁴ Email from M Irdi to M Azzopardi, 13 November 2014; (4494077).

*both Ms Irdi and Mrs Ravi had no real reason to be there whatsoever, the content of the tax conference was irrelevant and no other clients were flown to Sydney at Grant Thornton's expense to attend the relevant client event for that.*¹²⁵

- [272] Mrs Ravi gave evidence that despite her submission in the travel proposal for this trip that attendance at this conference was '*critical to delivering the program outcomes for the Department of Housing [DoC]*', attendance was not in fact relevant to her day-to-day role.¹²⁶
- [273] Ms Irdi claimed to be working full days on 4 and 5 December 2014.¹²⁷ Mrs Ravi approved her time sheet.
- [274] Mrs Ravi did not take any leave on 4 and 5 December 2014.¹²⁸
- [275] Mrs Ravi gave evidence that DoC understood that both she and Ms Irdi had been working on 4 and 5 December 2014 when, apart from a one-hour meeting on 5 December 2014, they had not worked.¹²⁹
- [276] Ms Ravi and Ms Irdi went sightseeing in Sydney on 4 and 5 December 2014.¹³⁰

Brisbane, March 2016

- [277] In March 2016, Ms Irdi and Mrs Ravi travelled to Brisbane for ATO Workshops about GST.
- [278] Ms Irdi got Mr Missaghi of Minter Ellison to embellish and change the itinerary so that Mrs Ravi and Ms Irdi could extend their travel period and do some sightseeing.
- [279] On 3 February 2016, Ms Irdi emailed Mr Missaghi requesting an itinerary:
- For Kerry to be able to stay on the Firday [sic] and fly back on the Saturday, we need an itinerary.*
- Rembr what happened last time.*
- Could you make something up plssssss , we can say we have meetings at your office, another meeting with ato, and with gt if need be, as tony will be there.*
- I want to hire a car and drive up to gold coast etc...*¹³¹
- [280] Ms Irdi followed up with Mr Missaghi on 4 February 2016:

¹²⁵ T Windle, private examination transcript, 27 May 2021, p 32.

¹²⁶ K Ravi, private examination transcript, 23 June 2021, p 84.

¹²⁷ Email from A Jack to K Ravi, 8 December 2014; (Document 3693238).

¹²⁸ K Ravi leave bookings; (Document 00249-2020-0384).

¹²⁹ K Ravi, private examination transcript, 23 June 2021, p 87.

¹³⁰ Documents 4068937, 4068536, 4068393, 4068377.

¹³¹ Email from M Irdi to M Missaghi, 3 February 2016; (Document 4048215).

We need to do that 2 day diary appointment for Kerry asap so she can put business case together.

Pls make it a late appointment with ato on Friday, so they do not expect her to fly out the same night,

Remember Nigel caused all this grief for her that started the problems.

So pls make it back to back, make it all up

We can split workshops they wont know [sic].¹³²

- [281] Mrs Ravi followed up with Mr Missaghi personally on 4 February 2016. She sent him an itinerary he had prepared in 2015. She asked for something similar with a little more 'detail around meeting times and dates'.¹³³

- [282] Later on 4 February 2016, Ms Irdi emailed Mr Missaghi:

Forget wildflower restaurant, it looks weird.

Hey on another note, I just suggested to Kerry which might make it easier for her to get away with, just a thought now, so don't do anything. BUT ...

Say we fly to Brisbane on Tuesday, we do the gold coast on the wed, we have our ato meeting Thursday and fly back late Friday.

Could you do the Wednesday pllllllssssss if we had to do that.

That way she does not have to justify a weekend stay over.

But it all depends on the itinerary, so that could be a back up plan [sic].¹³⁴

- [283] On 9 February 2016, Mr Missaghi sent Ms Irdi a draft itinerary , for Mrs Ravi to support her business case for interstate travel.¹³⁵

- [284] Later on 9 February 2016, Ms Irdi asked for further detail for the travel proposal from Mr Missaghi, who agreed to the request.¹³⁶ She copied the email to Mrs Ravi.

- [285] On 17 February 2016, Mrs Ravi submitted the travel proposal containing the information from Mr Missaghi. The estimated total cost of the travel proposal was \$1,864.50.¹³⁷

- [286] The itinerary showed Mrs Ravi and Ms Irdi attending meetings all day on 9 March 2016.

¹³² Email from M Irdi to M Missaghi, 4 February 2016; (Document 4051131).

¹³³ Email from K Ravi to M Missaghi, 4 February 2016; (Document 3735255).

¹³⁴ Email from M Irdi to M Missaghi, 4 February 2016; (Document 3893973).

¹³⁵ Email from M Missaghi to M Irdi, 9 February 2016; (Document 3989967).

¹³⁶ Email from M Irdi to M Missaghi, cc'ing K Ravi, 9 February 2016; (Document 4054750).

¹³⁷ Email from K Ravi to Fleet&TravelServices (DOH), 17 February 2016; (Document 3732606 and 3732605).

- [287] However, they had planned to spend the entire day on the Gold Coast at the Theme Parks.¹³⁸ That is what they did. Neither Mrs Ravi nor Ms Irdi did any work on 9 March 2016.
- [288] Mrs Ravi did not take leave.¹³⁹ She approved Ms Irdi's timesheet for 9 March 2016, which had her working a full 8.0 hours.¹⁴⁰
- [289] During this trip Mrs Ravi and Ms Irdi accepted hospitality from Minter Ellison, which included Movie World and Aria restaurant. They also found time to meet with Mr Windle of Grant Thornton, who incurred hospitality expenses at Alchemy restaurant and the Stamford Plaza.

Brisbane and Melbourne Trips

- [290] The trips to Brisbane in April 2016 and to Melbourne in September 2016 involved much of the same sort of conduct.
- [291] The trip to Brisbane in April 2016 coincided with Ms Irdi's birthday. It included spending the day at Australia Zoo, go-karting and a dinner that evening. Food and beverage expenses were paid for by Minter Ellison. The trip was instigated by Ms Irdi in early February 2016 when she asked Mr Gasser from Minter Ellison to:
- keep an eye out for any junkets, I mean seminars pls. In all seriousness, it seems the topics would have been relevant.*¹⁴¹
- [292] Mrs Ravi gave evidence accepting that it had been organised weeks in advance, that the day they arrived in Brisbane would be spent on social activities and there was no intention to attend any of the meetings featured in the itinerary.¹⁴²
- [293] Mrs Ravi and Ms Irdi used their influence with Grant Thornton and Minter Ellison to procure personal benefits in the form of interstate travel and payment of associated expenses. Travel arrangements were manipulated to enable Mrs Ravi and Ms Irdi to maximise the benefits to them.

¹³⁸ Documents 4069949, 4069925, 4069939).

¹³⁹ K Ravi leave bookings; (Document 00249-2020-0384).

¹⁴⁰ Email from K Ravi to A Jack, 14 March 2016; (Document 3649929 and 3702769).

¹⁴¹ Email from M Irdi to B Gasser, 3 February 2016; (Document 4049081).

¹⁴² K Ravi, private examination, 23 June 2021, p 95.

CHAPTER SIX

Employment of a family member

Overview

- [294] Mrs Ravi and Ms Irdi inappropriately used their connections and influence with Grant Thornton to secure employment of a family member of Mrs Ravi as an administrative assistant at Grant Thornton's Perth office.¹⁴³
- [295] Emails to Grant Thornton linked the family member's job to the flow of GST work from the DoC to Grant Thornton.
- [296] They got Grant Thornton to extend the family member's employment by the same means.

The initial contract

- [297] On 10 December 2014, Ms Irdi sent an email to her contacts at Grant Thornton.
- [298] The email was headed '[Family Member] - Resume 2.doc' and contained the family member's resume attached.
- [299] The email said:
- pls help get [them] something*¹⁴⁴
- ...
- [he or she] is Kerry's [close relation] and I know Kerry would be over the moon if GT could help.*
- ...
- ... it certainly wouldn't hurt the relationship Doh and Gt are building. ☺*¹⁴⁵
- [300] The email was blind copied to Mrs Ravi. No doubt Ms Irdi got the resume through Mrs Ravi.
- [301] At the time, the family member had no relevant accounting or consulting experience.
- [302] Internal Grant Thornton emails indicate that the firm did not have any suitable opportunities for the family member, or any need for their services.¹⁴⁶

¹⁴³ It is not necessary, for present purposes, to name the family member.

¹⁴⁴ Email from Ms Irdi to D Travaglini, 10 December 2014; (Document 3984422).

¹⁴⁵ Email from M Irdi to M Donnelly, bcc'ing K Ravi, 10 December 2014; (Document 3984063).

¹⁴⁶ Email from J Wheelock to M Mucciacciaro, 11 December 2014; (Document 4609874).

- [303] However, a direction came from a Grant Thornton Perth partner, Mr Matthew Donnelly:¹⁴⁷

We need to find [them] a month or two of work. Temp doing anything and next year is fine.

- [304] The family member started as a casual employee at Grant Thornton in Perth on 2 February 2015 as an Administration Assistant.
- [305] On 6 February 2015, Ms Irdi sent an email to Mr Donnelly, thanking him for assisting with employing the family member. The email said Mrs Ravi was thrilled and that Grant Thornton fees were increasing and 'hitting over \$1m'.
- [306] Mr Donnelly forwarded Ms Irdi's email to his Grant Thornton colleagues, Mr Windle, Mr Azzopardi and Mr Mucciacciaro. In his covering email, Mr Donnelly stated he had to create a role for the family member as Ms Irdi was threatening to send work to the Big 4 instead of Grant Thornton.¹⁴⁸

Renewal

- [307] The family member's initial contract was due to expire in April 2015.¹⁴⁹
- [308] By the end of February 2015, Mrs Ravi and Ms Irdi were pressuring Grant Thornton to employ the family member on an ongoing basis.¹⁵⁰
- [309] Ms Irdi sent numerous emails to Grant Thornton referencing the amount of work Grant Thornton was receiving from DoC as a reason why it should continue to employ the family member and saying that Mrs Ravi would consider engaging other firms if they could not help her family member.¹⁵¹
- [310] Some of these emails were either forwarded to Mrs Ravi or were blind copied to her.¹⁵²

¹⁴⁷ Email from M Donnelly to J Wheelock and cc'ing M Mucciacciaro, R Batterley and D Travaglini, 11 December 2014; (Document 4609874).

¹⁴⁸ Email from M Donnelly to T Windle, cc'ing M Azzopardi, M Mucciacciaro, 7 February 2015; (Document 4530889).

¹⁴⁹ Email from [Family Member] to K Ravi attaching casual employment contract with Grant Thornton, 28 January 2015; (Document 3378066); Email from M Azzopardi to M Irdi, cc'ing T Windle, 6 March 2015; (Document 3715626)

¹⁵⁰ Email from K Ravi to M Azzopardi, 27 February 2015. (Document 3598316), Email from M Irdi to M Azzopardi, 6 March 2015. (Document 3715626).

¹⁵¹ Email from M Irdi to M Azzopardi, 4 March 2015; (Document 3997625); Email from M Irdi to M Azzopardi, 6 March 2015; (Document 3715626)

¹⁵² Email from M Irdi to K Ravi, 6 March 2015; (Document 3715626)

[311] Mrs Ravi emailed Mr Azzopardi on 27 February 2015 thanking him for his assistance with helping her family member to 'stay on' at Grant Thornton.¹⁵³

[312] Internal Grant Thornton emails at the time pointed out that there was no role for someone at the Perth office with the family member's limited skills and experience.¹⁵⁴

[313] Mr Azzopardi responded to the internal emails as follows:¹⁵⁵

But for \$21 per hour a couple of days a week?? Will this give us the edge to keep in there well beyond Maria's departure which could be anytime??

[314] This echoes Ms Irdi's email to Grant Thornton of 5 March 2015 in which she said '\$21 per hr is not a lot of coin for a long-term relationship and one that has already earned a lot of fees for the firm'.¹⁵⁶

[315] In an email to Mr Azzopardi of 6 March 2015, Ms Irdi said:¹⁵⁷

GT just won another small gig and the GLO stuff is \$10k per month at the moment.

Can you pls find something for Kerry's [family member].

She said to me yesterday, that she can not understand how \$21 per hr could break the bank part time, when she herself knows what the charge out rates are, [the family member's] total cost does not even equate to a senior persons charge out rate for an hour, she knows this mate.

She did say to me, she appreciates so much what you are trying to do, but if GT can not help my [family member] after all the fees and opps that we have their way, she will continue to ask for more than one quote [sic].

[316] Shortly after sending this email, Ms Irdi sent the email chain to Mrs Ravi.¹⁵⁸

[317] On 9 March 2015, Ms Irdi sent another email about Mrs Ravi's family member.¹⁵⁹

Guys on a sep note, I know you are doing the best for Kerry's [family member], but Pls make something happen even just for 6 months.

Kerry is really worried about her [family member] and it would mean so much to her.

GT has been getting most of the work and she knows it, so Pls help me out [sic].

¹⁵³ Email from K Ravi to M Azzopardi, 27 February 2015; (Document 3598316).

¹⁵⁴ Email from T Windle to A Kearney, cc'ing M Azzopardi, J Casas, 26 February 2015; (Document 4524494).

¹⁵⁵ Email from M Azzopardi to A Kearney, cc'ing T Windle and J Casas, 26 February 2015; (Document 4524494).

¹⁵⁶ Email from M Irdi to M Azzopardi, 4 March 2015; (Document 3997625).

¹⁵⁷ Email from M Irdi to M Azzopardi, 6 March 2015; (Document 3715626).

¹⁵⁸ Email from M Irdi to K Ravi, 6 March 2015; (Document 3715626).

¹⁵⁹ Email from M Irdi to T Windle and M Azzopardi, bcc'ing K Ravi, 9 March 2015; (Document 3988128).

[318] Internal Grant Thornton emails indicate some staff were reluctant to agree. They emailed Mr Azzopardi:¹⁶⁰

Azza - what do we do here? I feel pressured on something we shouldn't but happy to take it for the team.

[319] The response from Mr Azzopardi was '*Lets discuss on how we need to take it for the team - not if*'.¹⁶¹

[320] Ms Irdi and Mrs Ravi were successful in lobbying Grant Thornton. The contract was renewed.

[321] On 19 June 2017, the family member sent Mrs Ravi an email entitled '*wtf*'. In the email, the family member included a link to an advertisement for an administration person in the Grant Thornton Perth Tax team. In the body of her email, the family member said, '*hello I'm here you spastics*'.

[322] Mrs Ravi replied:¹⁶²

FUkc that I'm going to say something to Mark. GT needs to get their shit together.

You are there wanting full time work and can do the job and more [sic].

[323] Mrs Ravi and Ms Irdi took action in the form of continued lobbying.

[324] On 25 October 2017, Mr Azzopardi emailed internally at Grant Thornton and said:¹⁶³

I have also logged a call with Liz about seeing what we can do to get [the family member] days up to 4. Kerry raises it every so often and I would not be surprised she is making life difficult for us because of it [sic].

[325] While at Grant Thornton, the family member worked on the DoC GST account, and prepared Grant Thornton invoices that were then sent to Mrs Ravi for payment.¹⁶⁴ This direct and ongoing conflict was never disclosed to DoC, either by Mrs Ravi, Ms Irdi, or Grant Thornton.

[326] The examination of email records received from Grant Thornton indicates a number of Perth based partners were not comfortable with employing the family member while the firm did work for Mrs Ravi at DoC.

[327] On 10 April 2018, Mr Don O'Brien sent an internal email to other Grant Thornton executive officers expressing his concern about the employment of the family member:¹⁶⁵

¹⁶⁰ Email from T Windle to M Azzopardi, 9 March 2015; (Document 4527601).

¹⁶¹ Email from M Azzopardi to T Windle, 9 March 2015; (Document 4527601).

¹⁶² Email from [Family Member] to K Ravi, 19 June 2017; (Document 3428857).

¹⁶³ Email from M Azzopardi to G Higgins and A Barrah, 25 October 2017; (Document 4547630).

¹⁶⁴ Emails from [Family Member] to G Higgins, 2 and 3 November 2016; (Documents 4483822, 4480539).

¹⁶⁵ Email from D O'Brien to E Lucas, cc'ing N Bradley, I Herman, 10 April 2018; (Document 4459451).

the reality is that a number of Perth Partners believe that [the family member] is with us as a 'quid pro quo' for the Department of Communities work.

Indeed, I have been told of an 'infamous email' from Mark Azzopardi to Matthew Donnelly 'encouraging' Matt to appoint [the family member].

Disregarding all of the above - the fact that we have employed the [family member] of a Senior Executive of a significant Public Sector client who pay us substantial fees is capable of misinterpretation on so many levels. Perhaps this is what happened here - I genuinely don't know!

[328] The family member was engaged as a casual/part-time administrative assistant and received salary related payments from Grant Thornton for the period February 2015 to December 2018, totalling \$89,940.35. The family member's contract was not renewed after December 2018.

[329] The family member would not have received this financial benefit if not for the pressure Ms Irdi and Mrs Ravi brought to bear on Grant Thornton.

Mrs Ravi knew what Ms Irdi was doing

[330] In her evidence to the Commission, Mrs Ravi contended that she was not fully aware of Ms Irdi's activities on behalf of the family member.

[331] Mrs Ravi initially gave evidence that she first found out that the family member had a job at Grant Thornton after they got the role.¹⁶⁶

[332] Mrs Ravi later admitted she was aware that Ms Irdi was making 'inquiries' with Grant Thornton about a job for the family member.¹⁶⁷

[333] Ms Irdi gave evidence that Mrs Ravi '*knew I was doing it 100 per cent*' and '*the context [from Mrs Ravi] was get them to give [Mrs Ravi's relative] a job. There's got to be a job there for [them]*'.¹⁶⁸ The Commission accepts Ms Irdi's evidence on this point.

[334] Even if Mrs Ravi did not know of Ms Irdi's activities beforehand, she knew the family member had been hired and continued to work at Grant Thornton for months afterwards.

[335] Mrs Ravi said that comments attributed to her by Ms Irdi in Ms Irdi's emails to Grant Thornton about the family member were not true.

[336] However, Mrs Ravi admitted that she did nothing to correct Ms Irdi's emails.¹⁶⁹ She was happy with the messages Ms Irdi conveyed.

¹⁶⁶ K Ravi, private examination, transcript, 20 August 2020, p 82.

¹⁶⁷ K Ravi, private examination, transcript, 20 August 2020, p 86.

¹⁶⁸ M Irdi, private examination, transcript, 21 June 2021, p 112.

¹⁶⁹ K Ravi, private examination, transcript, 20 August 2020 p 88 - 110.

- [337] The Commission is satisfied that Mrs Ravi knew how the family member came to be employed by Grant Thornton and how the family member's employment was continued. The underlying factor in the family member getting a job with Grant Thornton was Mrs Ravi's position within DoC.
- [338] The Commission makes no finding whether or not the family member was complicit in the actions of Mrs Ravi or Ms Irdi.

CHAPTER SEVEN

Other benefits for Ms Irdi

Overview

- [339] Mrs Ravi was responsible for supervising Ms Irdi's work and signing off on the weekly timesheets Ms Irdi was required to submit. She permitted Ms Irdi to receive payment on occasions for work Ms Irdi did not perform.
- [340] Separately, Mrs Ravi also manipulated the tender process which lead to Ms Irdi's services being provided to the DoC for the period from October 2019 to April 2020.
- [341] These matters are discussed in this Chapter.

Payment for time not worked

- [342] Chapter Five discusses how Ms Irdi claimed to be working on days when she did not, while she and Mrs Ravi were travelling interstate.
- [343] This was not the only occasion when Mrs Ravi approved hours for Ms Irdi which she knew were not worked.
- [344] The exchange at Chapter One about their relationship is another example, where they covered for each other whilst each were supposed to be at work.¹⁷⁰
- [345] An intercepted telephone conversation on 24 July 2020 involving Ms Irdi is a third example.
- [346] On this occasion, Ms Irdi asked Mrs Ravi if she could leave work earlier on the Friday as she was going to Margaret River for the weekend. Mrs Ravi replied, '*not on the phone*'. By that time both Ms Irdi and Mrs Ravi were aware of the Commission investigation.¹⁷¹ Subsequently, Ms Irdi submitted a timesheet for Friday 31 July 2020, from 8.30am to 5pm with a 60-minute break,¹⁷² when in fact she had not attended or performed any work at all on that day.
- [347] On 23 June 2021, Mrs Ravi gave evidence as follows:¹⁷³

Counsel Assisting: Is it in fact the case that on this occasion she took a Friday off. She should not have put down 8.30am to 5pm?

¹⁷⁰ Paragraph 74

¹⁷¹ Telecommunication intercept, K Ravi and M Irdi, 24 July 2020; (Document 00249-2020-0310-0). K Ravi, private examination, transcript, 23 June 2021, p 103 - 104.

¹⁷² Attachment to email from [redact] to K Ravi, 3 August 2020; (Document 4161103).

¹⁷³ K Ravi, private examination, transcript, 23 June 2021, p 104.

Mrs Ravi: Yes.

Counsel Assisting: And you shouldn't have signed off on it?

Mrs Ravi: Yes, I shouldn't have signed off on it.

[348] Mrs Ravi corruptly conferred a benefit on Ms Irdi, namely payment for time she had not worked. She did so by signing off on Ms Irdi's timesheets which included periods when she knew Ms Irdi was not working.

[349] It is likely there were many other occasions when Ms Irdi did not work the hours claimed in her timesheets, which Mrs Ravi approved anyway.

Ms Irdi's contract extensions

[350] Ms Irdi worked for DoC on a series of short-term contracts agreed between DoC and four different labour hire or consulting firms.¹⁷⁴

[351] These firms were on the CUA for labour hire services and audit and financial services.

[352] Because Ms Irdi was engaged on a series of short-term contracts, her employment was precarious despite her engagements being renewed periodically over 8 years.

[353] Mrs Ravi gave evidence that Mr Whyte told her to extend Ms Irdi's contracts¹⁷⁵ and it was her '*job on the line*' if the contracts were not extended.¹⁷⁶

[354] Mrs Ravi also gave evidence she was not involved in the contract extension process and did nothing more than advise Mr Whyte when contracts were coming up for renewal, and asked whether he wanted them extended or not.¹⁷⁷

[355] This was not Ms Irdi's opinion. Ms Irdi attributed her contract extensions to both Mrs Ravi and Mr Whyte.

[356] On 21 June 2021, Ms Irdi's evidence was:

Counsel Assisting: How reliant were you on Ms Ravi for extending your contracts?

¹⁷⁴ Labour Hire Contract between Stellar Corporate Solutions Pty Ltd and Department of Housing dated 1 June 2012 (00249-2020-0175); Labour Hire Contracts between DoH and Integrity Staffing Pty Ltd/Integrity Executive Pty Ltd (00249-2020-0176); Labour Hire Contract between DoC and [redact] Partners, 21 October 2019 (3341195 and 00249-2020-0177); Labour Hire Contract between DoC and [redact] Pty Ltd, 28 April 2020 (00249-2020-0178).

¹⁷⁵ K Ravi, private examination, transcript, 23 June 2021, p 116.

¹⁷⁶ Ibid, p 120.

¹⁷⁷ K Ravi, private examination, transcript, 20 August 2020, p 21.

Ms Irdi: Heavily. She was the one that would go to Paul and say, "Yep, we need her - we need her, keep her on".¹⁷⁸

[357] During an intercepted telephone conversation between Ms Irdi and Mrs Ravi on 9 July 2020, Ms Irdi said:¹⁷⁹

Oh Ker you've done such a, mate, you are amazing. You've got us to stay in the city. You got my contract. You've got us, mate you're just bloody amazing. That's why I never doubt what you can do mate. You're always pulling it out of your arse, you know?

[358] In a memorandum to Mr Whyte on 23 November 2015, entitled 'GST Reform Project - Contract Extension for Maria Irdi', Mrs Ravi wrote, 'I would recommend that her contract be renewed for a further three months'.¹⁸⁰

[359] After viewing the memorandum, Mrs Ravi accepted that there were multiple times that she had recommended Ms Irdi's contract be renewed.¹⁸¹

[360] Mrs Ravi also conceded that she ought not to have extended Ms Irdi's contract. The Commission recalls Mrs Ravi's disparaging assessment of Ms Irdi's skills at paragraph [38] above.

[361] The Commission considers that Mrs Ravi procured extensions of Ms Irdi's contract because of the personal relationship between them and the collateral benefits Ms Irdi procured for Mrs Ravi from the GST consultants by way of gifts, entertainment and influence.

Tender process - GST Technical Specialist

[362] One of the firms through which Ms Irdi was engaged (Company A), was a pre-qualified advisory firm on the CUA panel for audit and financial services.

[363] Ostensibly, Ms Irdi's engagement through Company A was the result of a tender process for the contract extension at the end of October 2019.

[364] However, this tender process was manipulated to ensure Ms Irdi continued to work at DoC through 'Company A'.

[365] The process is also notable for the role of Mr Missaghi in providing advice, which assisted Ms Irdi to stay at the DoC.

¹⁷⁸ M Irdi, private examination, transcript, 21 June 2021, p 97.

¹⁷⁹ Telephone intercept M Irdi and K Ravi, 9 July 2020; (Document 00249-2020-0268-1). K Ravi, private examination transcript, 23 June 2021, p 116.

¹⁸⁰ K Ravi, transcript private examination, 23 June 2021, p 119. Memorandum from K Ravi to P Whyte, 23 November 2015; (Document 00249-2020-0179).

¹⁸¹ K Ravi, private examination, transcript, 23 June 2021, p 120.

A tender is required

- [366] Mrs Ravi gave evidence that, in 2019, she was told that Ms Irdi could not be on temporary personnel services any longer because Ms Irdi was identified as the contractor in respect of whom the most amount of money had been paid by DoC.
- [367] A tender 'was required.
- [368] Initially, Mrs Ravi tried to get an exemption from the tender process.
- [369] She got a draft advice from Mr Missaghi about an option for Mr Whyte to approve an exemption from a competitive tender process for the further engagement of Ms Irdi.¹⁸² She copied that advice from Mr Missaghi's email and sent it to Mr Whyte under her own name.
- [370] The "exemption" was not granted.

The tender process

- [371] Mrs Ravi and Ms Irdi worked together to ensure the tender would result in Ms Irdi continuing to work at the DoC.
- [372] Ms Irdi had discussions with Grant Thornton in advance of the end of her contract.
- [373] On 1 August 2019, Ms Irdi sent Mrs Ravi an email exchange with Grant Thornton staff. Grant Thornton had introduced Ms Irdi to the director of a firm of consultants, 'Company A'.¹⁸³
- [374] By mid-August 2019, Ms Irdi told Mrs Ravi she was meeting with that director, 'Mr D'.
- [375] On 23 August 2019, Ms Irdi asked Mrs Ravi to meet Mr D for an '*off the record chat*'.¹⁸⁴

let me know when suits sis.

- [376] Mrs Ravi replied:¹⁸⁵

ok thanks some time in the next week or two. K xx.

- [377] Ms Ravi met with Mr D on 3 September 2019.

¹⁸² Email from K Ravi to R Martin (DoC), 18 June 2019. (Document 3368367). K Ravi, transcript private examination, 23 June 2021, p 120.

¹⁸³ Email from M Irdi to K Ravi, 1 August 2019; (Document 3351463).

¹⁸⁴ Email from M Irdi to K Ravi, 23 August 2019; (Document 3343283). Calendar acceptance K Ravi to meet L [redact], 3 September 2019; (Document 3347541). K Ravi, transcript private examination, 23 June, p 123.

¹⁸⁵ Email from M Irdi to K Ravi, 23 August 2019; (Document 3343283). Calendar acceptance K Ravi to meet L [redact], 3 September 2019; (Document 3347541). K Ravi, transcript private examination, 23 June, p 123.

- [378] The Commission does not believe that Mr D met with Mrs Ravi on an ‘off the record’ basis, and accepts Mr D met with Mrs Ravi as standard practice in meeting with a potential client to discuss opportunities.
- [379] There was a flurry of emails about Ms Irdi’s position in September 2019.
- [380] On 13 September 2019, Ms Irdi sent Mrs Ravi an email from Mr D that outlined the terms of Ms Irdi’s proposed engagement with Company A.¹⁸⁶
- [381] On 16 September 2019, Ms Irdi sent Mrs Ravi her draft contract with Company A.¹⁸⁷ Ms Irdi also sent it to Mr Missaghi, who reviewed it for her.¹⁸⁸
- [382] On 24 September 2019, Ms Irdi sent Mrs Ravi her consultant profile.¹⁸⁹
- [383] The same day, Mrs Ravi sent an internal email about departures to standard terms for the CUA and said, *‘I’m looking at engaging services under the Audit and Financial Advisory Services CUA with one of the suppliers Company A’*.¹⁹⁰
- [384] On 24 September 2019, Mr Missaghi emailed Mrs Ravi a marked-up version of the scope of works CUA request form for Ms Irdi’s role.¹⁹¹
- [385] On the same day, Mrs Ravi sent the request form to Mr D of Company A.
- [386] Mr D returned the form on 4 October 2019.¹⁹²
- [387] On 10 October 2019, Mrs Ravi sent a memorandum to Mr Whyte identifying the three contractors that had been invited to quote.
- [388] Mrs Ravi’s memorandum recommended Company A.¹⁹³
- [389] In evidence, Mrs Ravi said she was ‘told to do it’ by Mr Whyte.¹⁹⁴ She said that Mr Whyte told her which company on the CUA Ms Irdi could go through or alternatively to also look at the DoC Real Estate and Advisory Transaction Panel.¹⁹⁵ Mrs Ravi’s evidence is inconsistent with the fact that Company A was suggested by Grant Thornton and Ms Irdi.
- [390] Ms Irdi’s evidence was different. She said that Mrs Ravi’s role was:

¹⁸⁶ Email from M Irdi to K Ravi, 13 September 2019; (Document 3337615).

¹⁸⁷ Email from M Irdi to K Ravi, 16 September 2019; (Document 3335152).

¹⁸⁸ Email from M Missaghi to M Irdi, 16 September 2019. (Document 3786477, 3786476).

¹⁸⁹ Email from M Irdi to K Ravi, 24 September 2019; (Document 3334602).

¹⁹⁰ Email from K Ravi to R Carter, cc’ing G Jarvis, 24 September 2019; (Document 3329949).

¹⁹¹ Email from M Missaghi to K Ravi, 24 September 2019; (Document 3334463).

¹⁹² Email from L [redact] to K Ravi, 4 October 2019; (Document 3330950).

¹⁹³ Email from K Ravi to P Whyte, including memorandum attachment addressed from K Ravi to P Whyte, 10 October 2019 (Document 3479646).

¹⁹⁴ K Ravi, transcript private examination, 23 June 2021, p 129.

¹⁹⁵ K Ravi, transcript private examination, 23 June 2021, p 120.

*basically to help ensure that, you know, that Company A, you know, was selected.*¹⁹⁶

- [391] Mrs Ravi's conduct in this context should be judged in light of an intercepted telephone conversation, after the event, on 1 July 2020, between Mrs Ravi and Mr Missaghi. Mrs Ravi said:

I've done everything I can to keep her on. She's lucky she got another six months. I can't guarantee anything past that. I don't know if I can fight beyond that, you know, if I can justify it beyond that... I can't keep saying I need her when I, and I don't need her. You know? And that makes it hard for me because I know she wants to stay.

Have I needed her for the last fuckin' few years? No.

*At the end of the day I haven't done my job properly because I have kept her on when I shouldn't have ...*¹⁹⁷

- [392] This suggests that Mrs Ravi's conduct in connection with the tender by Company A was not based on an objective assessment of Ms Irdi's abilities, but on the strength of Mrs Ravi's relationship with Ms Irdi.
- [393] Mrs Ravi accepted in evidence that the process had been manipulated to keep Ms Irdi employed at DoC.¹⁹⁸

Conclusion – the tender process

- [394] The tender process for a GST Technical Specialist was managed by Mrs Ravi to ensure Ms Irdi was re-engaged as a GST specialist through Company A.¹⁹⁹
- [395] She took advantage of her position to confer a benefit on Ms Irdi, namely further work as a consultant at DoC.
- [396] The Commission does not contend that Company A or Mr D were knowingly involved in the misconduct associated with the tender process to procure Ms Irdi's ongoing engagement.

¹⁹⁶ M Irdi, transcript private examination, 21 June 2021, p 97.

¹⁹⁷ Telecommunication intercept, K Ravi and M Missaghi, 1 July 2020; (Document 00249-2020-0224-2). K Ravi, transcript private examination, 23 June 2021, p 44.

¹⁹⁸ K Ravi, transcript private examination, 23 June 2021, p127 - 128.

¹⁹⁹ Labour Hire Contracts between DoC and [redact] Partners (3341195 and 00249-2020-0177).

CHAPTER EIGHT

External consultants and contractors

External consultants

- [397] There is nothing improper in external consultants building a helpful and cooperative relationship with their public sector counterparts or seeking to increase the amount of business they do with government.
- [398] However, firms which consult to government should be aware of the constraints within which public servants operate.
- [399] Those constraints are frequently greater than enforced in some sections of the private sector.
- [400] Private sector marketing tactics cannot simply be transferred to the public sector.
- [401] Mr Kevin Stewart, a partner of Minter Ellison in Perth, acting on behalf of Minter Ellison, assisted the Commission and gave evidence that he:²⁰⁰

Would expect...the partner in question would already be familiar with those policies [impacting public officers] as part of the engagement...to have understood what is or is not appropriate for that particular client...anyone who is ...performing work for government, (a) ought be aware of those probity requirements, or (b) ought familiarise themselves with them before attempting anything such as offering significant hospitality or offering a gift or extending an invitation to a function.

- [402] The Minter Ellison Partnerships Policy Statement has provisions which address the issue. It clearly sets out that the giving of hospitality must not be against the policies of the person receiving it; is reasonable and appropriate in the circumstances; and it is not given with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits.²⁰¹
- [403] While it may be accepted that public officers have primary responsibility for performing their duties without corruption, and in ways which comply with Government requirements, contractors to government should be mindful of those requirements, and should not place public officers in a position where their private interests conflict with their duties. As a matter of self-interest, it might be expected that contractors to government would

²⁰⁰ K Stewart, private examination, transcript, 4 June 2021, p 11 - 12.

²⁰¹ Minter Ellison Partnership Policy Statement, 1 January 2021, p 15 - 16; (00249-2020-0390).

not want to place themselves in a situation where it might be suggested that they are knowingly involved in serious misconduct by a public officer.

- [404] Both Grant Thornton and Minter Ellison have conducted investigations into the events mentioned in this report. The investigations have resulted in certain personnel ceasing to work at those firms. Grant Thornton has indicated that it has introduced further training and enhanced protocols for partners dealing with Government.

Serious misconduct risk

- [405] An aspect of the investigation is to identify serious misconduct risks, draw them to the attention of appropriate authorities and make recommendations about ways to prevent serious misconduct.
- [406] There is a serious misconduct risk in the wider public sector where there is insufficient oversight of contractors embedded in public agencies on rolling short term contracts.
- [407] Embedded contractors typically work within public agencies for an extended period alongside public officers, and in some instances, performing the same role as a public officer.
- [408] There is a risk embedded contractors may act in their own self-interest and not for the public benefit. A contractor may 'drag' projects out to ensure they have ongoing work, or favour other external parties by influencing referrals of work from public agencies. The insecurity of a contractor's position might, perhaps, be felt increasingly keenly with the passage of time.
- [409] The fees paid to embedded contractors are public monies, and as such, there should be appropriate mechanisms in place to ensure the work performed and the conduct of the contractors adheres to the same standards of propriety required of all public officers. The Commission considers the community would expect this level of accountability when public monies are expended, and especially when contractors are performing what would otherwise be a public officer function.
- [410] The broader internal issues at DoC have also been the subject of examination by the Commission. The Commission will report on these issues separately.
- [411] The DoC has informed the Commission that it has made the following changes to its operations to reduce the identified risks :
- Increased funding for the Integrity, Intelligence and Professional Standards directorate (now the Professional Standards), including

establishing a Corruption Prevention and Education business unit and a proactive intelligence function;

- Improved processes to ensure adherence to Treasurer's Instruction 304, regarding invoicing and purchasing;
- Review and implementation of key integrity policies, such as the Integrity Framework, Integrity Strategy, Code of Conduct, Fraud and Corruption Control Plan, Conflicts of Interest, Gifts and Benefits, and Secondary Employment;
- Recruitment to the Principal and Senior Fraud and Corruption Control Officers;
- Redevelopment of the Department's risk management framework and processes;
- Enhanced analytical tools to explore financial and contractual transactions; and
- A current review of procurement governance documentation and processes including establishing a statement of business ethics.

Legislative Reform

[412] On 24 March 2022, the Parliamentary Inspector of the Corruption and Crime Commission, Mr Matthew Zilko SC, reported about the scope of the definition of 'public officer' in the CCM Act and the exclusion from it of independent contractors working within the public sector. This Report provides another example of the difficulties which can arise from the current legislation.²⁰²

[413] The scope of the definition of 'public officer' in the CCM Act should be extended to include persons who, although nominally 'independent contractors' are embedded within the public sector, such as Ms Irđi. The Commission understands that a review of the CCM Act is currently being undertaken and this issue may be addressed as part of that process.

²⁰² Report 4 - The definition of 'public officer' in the Corruption , Crime and Misconduct Act 2003 - Parliamentary Inspector's report

CHAPTER TEN

Conclusions and recommendations

Findings of serious misconduct: Mrs Kerry Ravi

[414] In the Commission's opinion, Mrs Ravi engaged in serious misconduct over a number of years. She used her position and her control over the flow of GST consulting work to corruptly:

- procure benefits for herself and Ms Irdi in the form of entertainment, hospitality and travel;
- procure benefits for a family member, in the form of employment with Grant Thornton;
- procure benefits for Ms Irdi in the form of payment for periods of time when she did not work;
- procure a benefit for Ms Irdi, namely engagement as a consultant to DoC through Company A during the period from October 2019 to April 2020; and
- knowingly participate in Ms Irdi's manipulation of the process by which Grant Thornton Tax Lawyers Pty Ltd was appointed to the DoC legal panel.

[415] An opinion that serious misconduct has occurred is not and is not to be taken as a finding or opinion that a particular person is guilty of or has committed a criminal offence or a disciplinary offence.

Recommendation

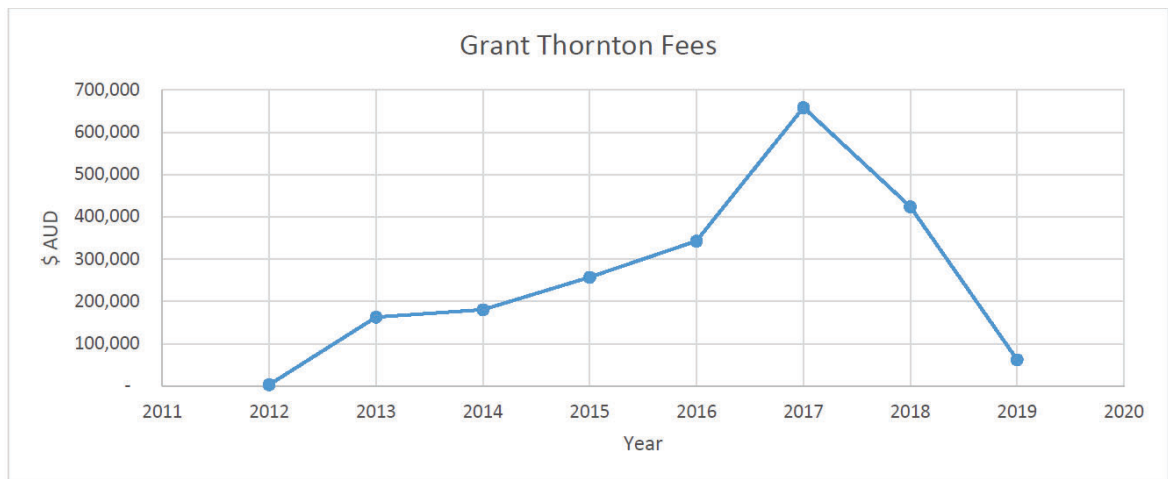
[416] The CCM Act should be amended to give the Commission clear jurisdiction in respect of people who work within the public sector as contractors but perform work ordinarily performed by employees.

APPENDIX 1

FEES AND HOSPITALITY EXPENSES²⁰³

Grant Thornton Fees and Hospitality Expenses

| Year | Grant Thornton Fees | Hospitality Expenses |
|--------------------|---------------------|----------------------|
| 2012 | 3,300 | - |
| 2013 | 163,273 | - |
| 2014 | 180,951 | 4,693 |
| 2015 | 257,514 | 2,828 |
| 2016 | 342,969 | 5,072 |
| 2017 | 658,626 | 12,445 |
| 2018 | 424,564 | 6,767 |
| 2019 | 62,468 | 2,932 |
| Total (AUD) | \$2,093,665 | \$34,737 |



²⁰³ Grant Thornton and Minter Ellison staff attended hospitality events along with Mrs Ravi and Ms Irdi. The figures given are the total expenses recorded by Grant Thornton and Minter Ellison respectively.

Minter Ellison Fees and Hospitality Expenses

| Year | Minter Ellison Fees | Hospitality Expenses |
|--------------------|---------------------|----------------------|
| 2014 | 131,734 | 248 |
| 2015 | 623,016 | 13,076 |
| 2016 | 637,379 | 22,991 |
| 2017 | 668,667 | 13,122 |
| 2018 | 833,813 | 15,063 |
| 2019 | 2,072,142 | 12,161 |
| 2020 | 139,379 | 198 |
| Total (AUD) | \$5,106,130 | \$76,859 |

