

20 July 2017

### **SSC documents for proactive release relating to the Ministry of Transport Whistle-blower inquiry**

In the interests of transparency the State Services Commission (SSC) is releasing the following record of the internal administrative documents SSC holds directly relating to its inquiry into whether any Ministry of Transport staff were disadvantaged in their employment due to raising concerns about the behaviour of Joanne Harrison, who was convicted of defrauding the Ministry during her time there, other than evidence given or submissions made to the inquiry; and documents withheld in full in accordance with the good reasons under the Official Information Act 1982 (OIA), being:

- section 9(2)(a), to protect the privacy of natural persons, including that of deceased natural persons;
- section 9(2)(b)(ii), to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;
- section 9(2)(ba), to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—
  - (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or
  - (ii) would be likely otherwise to damage the public interest;
- section 9(2)(f)(iv), to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials;
- section 9(2)(g)(i), to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any department or organisation in the course of their duty
- section 9(2)(h), to maintain legal professional privilege;
- section 9(2)(j), to enable a Minister of the Crown or any department or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);
- section 9(2)(k), to prevent the disclosure or use of official information for improper gain or improper advantage.

Where documents refer to attachments which are not included in this release, those documents have been withheld in full under one or more of the above grounds. Trivial information and information not directly in scope has also been withheld.

Information has also been withheld within the released documents in accordance with the good reasons under the OIA. Where information has been withheld, the reasons are indicated alongside the withholding with a reference to the relevant section in the OIA.

Where withholding has occurred, the public interest in releasing the information has been considered, but has been outweighed by the reasons for the withholding.

## Nicholai Mumford [SSC]

---

**From:** Tim Ingleton [SSC]  
**Sent:** Wednesday, 24 May 2017 2:34 p.m.  
**To:** @SSC Media Alerts  
**Subject:** RNZ - Whistleblower investigation taken from Transport Ministry

[UNCLASSIFIED]

<http://www.radionz.co.nz/news/political/331465/whistleblower-investigation-taken-off-ministry>

# Whistleblower investigation taken from Transport Ministry

The State Services Commission is taking over the investigation into the treatment of whistleblowers at the Ministry of Transport, who raised red flags about convicted fraudster Joanne Harrison.

The investigation into whistleblowers who raised red flags about a fraudster at the Ministry of Transport is being taken out of the ministry's hands. Photo: 123RF

Former employees went public this week with concerns they were forced out of their jobs after speaking up about Harrison, who is serving jail time for stealing about \$700,000 over five years while working at the ministry.

The ministry launched its own investigation into those claims last week.

State Services Commissioner Peter Hughes said while that was appropriate, there was a high degree of public interest in this case, including the treatment of public servants who must be able to raise concerns "without fear of punishment or reprisal".

"If public servants raised genuine concerns through proper channels and were then disadvantaged in any way because of it, that would be completely unacceptable and something I view very seriously", said Mr Hughes.

He said the commission would take over the investigation as it needed to be independent and have the powers of investigation under the State Sector Act.

Mr Hughes made the decision after meeting with the former employees this morning, where they discussed how they were treated and what happened after they raised concerns about Harrison's activities.

"This investigation will assess whether any Ministry of Transport staff members were disadvantaged after they raised concerns and if they were, make recommendations for an appropriate remedy," he said.

Mr Hughes was encouraging anyone else who felt they were disadvantaged by Harrison while working at the ministry to come forward, so that could also be investigated.

Sandi Beatie QSO will carry out the investigation, with support from the State Services Commission's chief legal officer and other commission staff as needed.

She will report to the State Services Commissioner.

Public Service Association national secretary Glenn Barclay welcomed the investigation and said the union would co-operate fully with it.

He said it was an important step towards restoring faith in the public service.

"Transparency and accountability is fundamental to maintaining the public's trust in the machinery of government, and public servants are a crucial part of this.

"The inquiry should give confidence that public service employees can speak up when they encounter wrongdoing - without fear for their jobs."

**The SSC investigation will cover:**

- Whether or not any current or former employee of the Ministry of Transport (including contractors or secondees) who raised concern about the behaviour of Joanne Harrison was disadvantaged in their employment as a result of raising those concerns;
- If so, the circumstances of any disadvantage that occurred;
- What, if anything, should now occur by way of remedy;
- Any recommendation on the implementation and management of protected disclosures or complaint mechanisms within the public service.

--  
Tim Ingleton  
Principal Communications Advisor  
State Services Commission  
DDI: +64 4 495 6648  
Mob: +64 21 240 7810  
Tim.Ingleton@SSC.govt.nz  
[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

New Zealand's State Services Commission: Leading a State sector New Zealand is proud of

.....  
Caution: If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

## Nicholai Mumford [SSC]

---

**From:** Peter Hughes [SSC]  
**Sent:** Wednesday, 24 May 2017 12:41 p.m.  
**To:** @a1users [SSC]  
**Subject:** Investigation into situation of whistle blowers at Ministry of Transport

[UNCLASSIFIED]

Gidday everyone,

Some of you will have been following through the media the various issues relating to the Joanne Harrison fraud.

Attached for your information is a media statement just released announcing my intention to conduct an investigation into the situation of the 'whistle blowers' at the Ministry of Transport and in particular whether they were disadvantaged in their employment in any way.

Cheers,  
Peter

24 May 2017

### **SSC investigation of whistle blower treatment within the Ministry of Transport**

State Services Commissioner Peter Hughes has today announced that the State Services Commission is taking over responsibility for investigating the treatment of Public Servants within the Ministry of Transport who raised concerns about the conduct of Joanne Harrison.

There has been public concern that Public Servants raised issues about Ms Harrison's activities within the Ministry of Transport and subsequently lost their jobs in a restructure Ms Harrison was involved in.

"Public Servants must be able to raise concerns without fear of punishment or reprisal," Mr Hughes said.

"If Public Servants raised genuine concerns through proper channels and were then disadvantaged in any way because of it, that would be completely unacceptable and something I view very seriously," he said.

"This morning I met with former Ministry of Transport staff members to discuss how they were treated and what happened after they raised concerns about Ms Harrison's activities," said Mr Hughes.

"The Secretary of Transport set up an independent review process for current or former staff to raise concerns about their treatment by Ms Harrison, which is entirely appropriate and I commend him for taking action to look into concerns from staff," Mr Hughes said.

"However, given the public interest in this matter and the importance of Public Servants being able to raise concerns without fear, this process needs to have the independence of the State Services Commission and the powers of investigation under the State Sector Act," said Mr Hughes.

"This investigation will assess whether any Ministry of Transport staff members were disadvantaged after they raised concerns and if they were, make recommendations for an appropriate remedy," he said.

Ms Sandi Beatie QSO will carry out the investigation supported by the State Services Commission's Chief Legal Officer and other SSC staff as required. Ms Beatie will report to the State Services Commissioner.

"Ms Beatie is a very experienced and highly regarded former senior Public Servant and Deputy State Services Commissioner," Mr Hughes said.

"If anyone feels they were disadvantaged by Ms Harrison during their employment at the Ministry of Transport I ask them to come forward so the matter can be investigated," said Mr Hughes.

Matters relating to the Controller and Auditor-General are outside the State Services Commissioner's jurisdiction and are the responsibility of the Speaker of the House.

The investigation will look into:

- Whether or not any current or former employee of the Ministry of Transport (including contractors or secondees) who raised concern about the behaviour of Joanne Harrison was disadvantaged in their employment as a result of raising those concerns;
- If so, the circumstances of any disadvantage that occurred;
- What, if anything, should now occur by way of remedy;
- Any recommendation on the implementation and management of protected disclosures or complaint mechanisms within the public service.

ENDS

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

**Nicholai Mumford [SSC]**

---

**From:** SSC Enquiries [SSC]  
**Sent:** Thursday, 25 May 2017 12:31 p.m.  
**To:** Andrew Royle [SSC]; Erik Koed [SSC]; Tim Ingleton [SSC]  
**Subject:** FW: Response from State Services Commissioner, Peter Hughes

FYI

Saphron Powell | Managing Principal | Ministerial Services | **State Services Commission**  
Tel: +64 4 495 6608 or 021 241 5504 | Email: [Saphron.Powell@ssc.govt.nz](mailto:Saphron.Powell@ssc.govt.nz)  
[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

**From:** Lisa Ngaia [SSC]  
**Sent:** Thursday, 25 May 2017 10:58 a.m.  
**To:** 9(2)(a) privacy  
**Cc:** 'b.english@ministers.govt.nz' <b.english@ministers.govt.nz>  
**Subject:** Response from State Services Commissioner, Peter Hughes

[UNCLASSIFIED]

Dear 9(2)(a)

Thank you for your correspondence. I appreciate the concerns that you raise, and take them seriously.

You will be pleased, therefore, to note my recent announcement that I will be taking over responsibility for investigating the treatment of Public Servants within the Ministry of Transport who raised concerns about the conduct of Joanne Harrison. The media statement, which outlines what the investigation will look into, can be found on the State Services Commission's website (<http://ssc.govt.nz/media-statement-ssc-investigation-whistle-blower-treatment-within-ministry-transport>).

Matters relating to the Controller and Auditor-General are outside my jurisdiction and are the responsibility of the Speaker of the House. The Speaker of the House has, however, announced that an independent investigator is leading a separate review of Mr Martin Matthews' suitability for the role of Controller and Auditor-General.

Kind regards

Peter Hughes

---  
Peter Hughes  
Head of State Services - State Services Commissioner  
State Services Commission  
[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

New Zealand's State Services Commission: Leading a State sector New Zealand is proud of

.....  
Caution: If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

**From:** 9(2)(a) privacy  
**Sent:** Monday, 22 May 2017 1:26 PM  
**To:** Lisa Ngaia [SSC] <Lisa.Ngaia@ssc.govt.nz>  
**Cc:** b.english@ministers.govt.nz  
**Subject:** negligence of Martin Mathews in responding to fraud at Ministry of Transport

To: Peter Hughes, State Services Commission  
Cc: Bill English

Dear Mr Hughes,

As a voter and taxpayer I am gravely concerned to learn that Mr. Martin Mathews failed to respond to early indications of fraud at the Ministry of Transport, and dismissed the concerns of senior managers.

I understand that whistleblowers concerns were alerted to senior management; but these were not acted on, and that whistleblowers were then targeted in "restructurings" making no business sense.  
- <http://www.radionz.co.nz/news/political/331250/whistleblowers-tell-of-incredible-day-their-jobs-were-axed>

It seems clear with fraud raised to senior management, and senior management raising at least some flavour of these concerns to Mr Mathews, that Mr Mathews should have had the awareness & capability to respond proactively with audits, financial checks etc. Apparently no such steps were taken.  
- <http://www.radionz.co.nz/news/political/326259/fraudster's-boss-gave-benefit-of-the-doubt-eight-times>

This is a clear failure, for which Mr Mathews must take responsibility. It allowed fraud to continue unchecked for 3 years, and for honest people's livelihoods to be destroyed.

Given such failure, Mr Mathews is completely and utterly unsuitable to hold the post of Auditor General. As a taxpayer I expect him to be dismissed from this post, effective immediately.

Further, given his lack of effective & proactive response to warnings, he should be held at least partially culpable for allowing fraud to continue; in light of this, some of his MoT salary should be clawed back. (An amount of \$100,000 should not be unreasonable.) Part of this can be paid to the whistleblowers whose lives have been destroyed by Mr Martin's incompetence.

I ask Peter Hughes and the State Services Commission to take the strictest possible action to ensure that the office of Auditor General is held by a competent, effective & reputable person.

Sincerely,  
9(2)(a) privacy

**From:** "Andrew Royle [SSC]" <Andrew.Royle@ssc.govt.nz>  
**Date:** 24 May 2017 at 10:17:41 AM NZST  
**To:** "Sandi Beatie 9(2)(a) privacy  
**Subject:** Possible ToR for MOT "whistleblowers"

Hi Sandi

Further to our phone call yesterday, it is looking increasingly likely that SSC will need to take over the transport inquiries into concerns about whistleblowers. Peter is aware you are away until next week, and I am writing to confirm your availability to accept an appointment by Peter for us to kick something off in earnest early next week.

I'll give you a call to discuss later this morning.

I've attached a possible/draft terms of reference. Any comments welcomed:

Dear Ms Beatie

***Terms of Reference for Ministry of Transport "Whistleblowers" Inquiry***

*I refer to our recent conversations, and thank you for agreeing to undertake an inquiry on my behalf.*

*Joanne Harrison has been convicted for fraud relating to her activities whilst employed by the Ministry of Transport. Concerns have been raised with me regarding possible disadvantage to Ministry employees who raised concerns about aspects of Ms Harrison's behaviour.*

*Pursuant to section 23 of the State Sector Act 1988, I appoint you to undertake an inquiry and report to me on the following matters:*

- *Whether or not any current or former employee of the Ministry of Transport (including contractors or secondees) who raised concern about the behaviour of Joanne Harrison was disadvantaged in their employment as a result of raising those concerns;*
- *If so, the circumstances of any disadvantage that occurred;*
- *What, if anything, should now occur by way of remedy;*
- *Any recommendations on the implementation and management of protected disclosures or complaint mechanisms within the public service.*

*For the avoidance of doubt, this appointment includes a full delegation of any powers that I could exercise under the State Sector Act 1988, including those arising from section 25(2), for the purposes of your inquiry.*

*You may delegate any functions and powers, including those arising from section 25(2), to any person to assist you in undertaking your inquiry and reporting to me.*

*The terms and conditions of your appointment as have been agreed, and administrative matters including details of the support that will be provided to you, are set out in the attached letter of engagement and standard form contract.*

Regards

Andrew Royle  
Chief Legal Advisor



State Services Commission  
DDI: +64 4 495 6754  
Mob: 9(2)(a) privacy  
Fax: +64 4 495 6686  
[Andrew.Royle@SSC.govt.nz](mailto:Andrew.Royle@SSC.govt.nz)  
[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

New Zealand's State Services Commission: Leading a State sector New Zealand is proud of

.....  
Caution: This email may contain information that is confidential or legally privileged. If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

## Nicholai Mumford [SSC]

---

**From:** Andrew Royle [SSC]  
**Sent:** Tuesday, 30 May 2017 11:10 a.m.  
**To:** Nicholai Mumford [SSC]; Kim O'Keeffe [SSC]  
**Cc:** Erik Koed [SSC]  
**Subject:** List of things to do

- Write letter for Witnesses (AWR)
- Contract for Sandi (NJM)
- Finalise ToR and send to Sandi (NJM)
- Send ToR email back to participants (AWR to give to Dallas)
- Set up 9(2)(k) (Kim)
- Call Karen Radich about 9(2)(k) and engagement (AWR)
- Talk to Rachel/Debbie about budget (AWR)
- Kim to make contact with Sandi
- Send initial documents to Sandi by email or 9(2)(k) (Erik/Kim)
- Ask David B for complete new sent to be couriered to Sandi Beatie (AWR/Kim)
- Ask Tim for some comms to use in Transport
- 9(2)(h) legal privilege

Andrew Royle  
Chief Legal Advisor  
State Services Commission  
DDI: +64 4 495 6754  
Mob: 9(2)(a) privacy  
Fax: +64 4 495 6686  
Andrew.Royle@SSC.govt.nz  
[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

New Zealand's State Services Commission: Leading a State sector New Zealand is proud of

.....  
Caution: This email may contain information that is confidential or legally privileged. If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

**Nicholai Mumford [SSC]**

---

**From:** Nicholai Mumford [SSC]  
**Sent:** Tuesday, 30 May 2017 4:00 p.m.  
**To:** Andrew Royle [SSC]  
**Subject:** Sandi Beatie contract  
**Attachments:** C3079 Sandi Beatie contract whistleblower inquiry.docx

[UNCLASSIFIED]

FYI

Nicholai Mumford  
Solicitor  
State Services Commission  
DDI: +64 4 495 6622  
[Nicholai.Mumford@ssc.govt.nz](mailto:Nicholai.Mumford@ssc.govt.nz)  
[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

New Zealand's State Services Commission: Leading a State sector New Zealand is proud of

.....  
Caution: This email may contain information that is confidential or legally privileged. If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

**Nicholai Mumford [SSC]**

---

**From:** Nicholai Mumford [SSC]  
**Sent:** Thursday, 1 June 2017 3:28 p.m.  
**To:** Sandi Beatie  
**Cc:** Andrew Royle [SSC]; Karen Radich  
**Subject:** 20170601 Sandi Beatie letter of appointment and terms of reference  
**Attachments:** 20170601 Sandi Beatie letter of appointment and terms of reference.pdf

[UNCLASSIFIED]

Dear Sandi,

Please find attached the letter from the State Services Commissioner appointing you to conduct the inquiry, it includes the terms of reference.

Kind regards,  
Nicholai

Nicholai Mumford  
Solicitor  
State Services Commission  
DDI: +64 4 495 6622  
[Nicholai.Mumford@ssc.govt.nz](mailto:Nicholai.Mumford@ssc.govt.nz)  
[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

New Zealand's State Services Commission: Leading a State sector New Zealand is proud of

.....  
Caution: This email may contain information that is confidential or legally privileged. If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

**From:** Peter Mersi  
**Sent:** Wednesday, 31 May 2017 5:04 p.m.  
**To:** AllMOT <[AllMOT@transport.govt.nz](mailto:AllMOT@transport.govt.nz)>  
**Subject:** Note from Peter Mersi

Hi everyone

As I mentioned in an email last week, SSC have commissioned Sandi Beatie QSO to investigate the claims from previous Ministry staff that they feel they were disadvantaged by Joanne Harrison as a result of raising concerns about her.

If you feel you were unfairly treated after raising concerns about Joanne, and have not come forward, you can speak with Sandi confidentially.

If you would like to arrange a conversation, please contact Andrew Royle at SSC (on 04 495 6754 or [Andrew.Royle@SSC.govt.nz](mailto:Andrew.Royle@SSC.govt.nz)).

I appreciate that even if you did not raise issues about Joanne Harrison, you may well have concerns about how she treated you, and I want to ensure people know they can raise these without risk.

If you have concerns, please raise them directly with me. About six weeks ago, I engaged Sandi Beatie to be available to provide an independent assessment to me in cases such as this, and I will take any concerns seriously, even if they fall outside of the SSC investigation's terms of reference.

Regards

Peter

**Peter Mersi**  
Chief Executive  
Ministry of Transport – Te Manatū Waka

Mobile: 9(2)(a) privacy |  
[p.mersi@transport.govt.nz](mailto:p.mersi@transport.govt.nz) | [www.transport.govt.nz](http://www.transport.govt.nz)

*Enabling New Zealanders to flourish*

---

**MINISTRY OF TRANSPORT**

**Wellington (Head Office)** | 318 Lambton Quay, Wellington Central | PO Box 3175 | Wellington 6011 | NEW ZEALAND | Tel: +64 4 439 9000 |

**Auckland** | NZ Government Auckland Policy Office | 45 Queen Street | PO Box 106238 | Auckland City | Auckland 1143 | NEW ZEALAND | Tel: +64 9 9854827 |

**Disclaimer:** This email is only intended to be read by the named recipient. It may contain information which is confidential, proprietary or the subject of legal privilege. If you are not the intended recipient you must delete this email and may not use any information contained in it. Legal privilege is not waived because you have read this email. Please consider the environment before printing this email

---

.....  
Caution: If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and confidential.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT



1 June 2017

Ms Sandi Beatie QSO

9(2)(a) privacy [redacted]  
[redacted]

Dear Ms Beatie

**Terms of Reference for Ministry of Transport "Whistleblowers" Inquiry**

I refer to our recent conversations, and thank you for agreeing to undertake an inquiry on my behalf.

Joanne Harrison has been convicted for fraud relating to her activities whilst employed by the Ministry of Transport. Concerns have been raised with me regarding possible disadvantage to Ministry employees who raised concerns about aspects of Ms Harrison's behaviour.

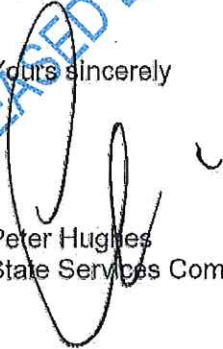
Pursuant to section 23 of the State Sector Act 1988, I appoint you to undertake an inquiry and report to me on the following matters:

- Whether or not any current or former employee of the Ministry of Transport (including contractors or secondees) who raised concern about the behaviour of Joanne Harrison was disadvantaged in their employment as a result of raising those concerns;
- If so, the circumstances of any disadvantage that occurred;
- What, if anything, should now occur by way of remedy;
- Any recommendations on the implementation and management of protected disclosures or complaint mechanisms within the public service.

For the avoidance of doubt, this appointment includes a full delegation of any powers that I could exercise under the State Sector Act 1988, including those arising from section 25(2), for the purposes of your inquiry.

You may delegate any functions and powers, including those arising from section 25(2), to any person to assist you in undertaking your inquiry and reporting to me.

Yours sincerely

  
Peter Hughes  
State Services Commissioner

**Nicholai Mumford [SSC]**

---

**From:** Tim Ingleton [SSC]  
**Sent:** Thursday, 15 June 2017 10:53 a.m.  
**To:** Erik Koed [SSC]  
**Subject:** FW: MOT Issues - Interview Request

[UNCLASSIFIED]

FYI, haven't discussed with Peter yet.

9(2)(g)(i) free and frank

**From:** 9(2)(a) privacy  
**Sent:** Thursday, 15 June 2017 10:27 a.m.  
**To:** Tim Ingleton [SSC] <Tim.Ingleton@ssc.govt.nz>  
**Subject:** MOT Issues - Interview Request

Hi Tim,

Good to talk just now .... confirming:

- I'm planning a 9(2)(a) feature story on how unlikely it is that the MOT fraud related issues are isolated to one Government agency.... around employment checks, contract payments, HR practices, treatment of whistleblowers etc.
- It would be good to get Peter Hughes' perspective in a longer format interview .... ideally before your findings are released ....

I'm in Wellington the morning of Tuesday July 18th ... if that is not too late ... otherwise a phone interview would work.

Cheers,

9(2)(a) privacy

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT



**Nicholai Mumford [SSC]**

---

**From:** Debbie Power [SSC]  
**Sent:** Friday, 30 June 2017 9:09 a.m.  
**To:** Erik Koed [SSC]  
**Subject:** FW: Confidential - draft report  
**Attachments:** Confidential - draft report.docx

[IN-CONFIDENCE]

--  
Debbie Power  
Deputy State Services Commissioner  
State Services Commission  
DDI: +64 4 495 6753  
Fax: +64 4 495 6686  
Debbie.Power@ssc.govt.nz  
[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

New Zealand's State Services Commission: Leading a State sector New Zealand is proud of

.....  
Caution: If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

**From:** Karen Radich 9(2)(a) privacy  
**Sent:** Thursday, 29 June 2017 5:27 p.m.  
**To:** Peter Hughes [SSC] <Peter.Hughes@ssc.govt.nz>; Debbie Power [SSC] <Debbie.Power@ssc.govt.nz>; Andrew Royle [SSC] <Andrew.Royle@ssc.govt.nz>  
**Cc:** Sandra Beatie 9(2)(a) privacy  
**Subject:** Confidential - draft report

*Confidential and privileged*

Good afternoon.

For the purposes of our discussion tomorrow morning, please find attached the current version of Sandi Beatie's draft report.

Regards, Karen

KAREN RADICH  
BARRISTER

CLIFTON CHAMBERS

9(2)(a) privacy

**Nicholai Mumford [SSC]**

---

**From:** Tim Ingleton [SSC]  
**Sent:** Thursday, 6 July 2017 10:02 a.m.  
**To:** Debbie Power [SSC]; Amanda Rapley [SSC]; Erik Koed [SSC]; Catherine Williams [SSC]; Kellie Coombes [SSC]  
**Subject:** FW: draft timeline

FYI below from Sandi.

Cheers

T

**From:** Sandra Beatie 9(2)(a) privacy  
**Sent:** Thursday, 6 July 2017 9:14 a.m.  
**To:** Tim Ingleton [SSC] <Tim.Ingleton@ssc.govt.nz>  
**Subject:** Re: draft timeline

Hi Tim

Thanks for this and I will come back later today when I have heard from 9(2)(a) privacy on timing for receiving comments.

My thought at the moment is to provide draft to limited number of participants in Inquiry for 'fact check process' on Monday and meet with them on Tuesday. If all that goes to plan I would like to fit in a session with you on Tues. I'm available either Wed or Thurs for press.

Sandi

On Wed, Jul 5, 2017 at 4:44 PM, Tim Ingleton [SSC] <Tim.Ingleton@ssc.govt.nz> wrote:

[IN-CONFIDENCE]

Hi Sandi

Please see attached a draft timeline for releasing your investigation report.

Some parts are likely to move but this is our current thinking.

If you have any comments please let me know.

Best regards

Tim.

--

**Tim Ingleton**

**Principal Communications Advisor** | State Services Commission

**P** +64 4 495 6648 | **M** +64 21 240 7810 | **E** [Tim.Ingleton@SSC.govt.nz](mailto:Tim.Ingleton@SSC.govt.nz)  
Level 10, 2 The Terrace, Wellington 6140 | [www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

*We lead the public sector in the service of our nation.*

*We lead, we serve.*

.....  
Caution: If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

.....  
Caution: If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and confidential.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

**Amanda Rapley [SSC]**

---

**From:** Tim Ingleton [SSC]  
**Sent:** Thursday, 6 July 2017 4:45 PM  
**To:** Amanda Rapley [SSC]; Erik Koed [SSC]; Kellie Coombes [SSC]; Dallas Welch [SSC]; Catherine Williams [SSC]; andrew.royle@crownlaw.govt.nz; Debbie Power [SSC]  
**Subject:** Investigation PR  
**Attachments:** 2272343\_Whistleblower investigation - comms plan.nrl; 2272343\_Whistleblower investigation - comms plan.DOCX

[SEEMAIL][IN-CONFIDENCE]

Hi

Peter has reviewed the investigation press release.

Latest version incorporating his edits attached – link and doc.

Cheers  
T

--

**Tim Ingleton**

Principal Communications Advisor | State Services Commission  
P +64 4 495 6648 | M +64 21 240 7810 | E [Tim.Ingleton@SSC.govt.nz](mailto:Tim.Ingleton@SSC.govt.nz)  
Level 10, 2 The Terrace, Wellington 6140 | [www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

*We lead the public sector in the service of our nation.  
We lead, we serve.*

.....  
Caution: If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

Ministry of Transport whistle-blower protections investigation

***Report of investigation into whistle blower treatment within the Ministry of Transport***

State Services Commissioner Peter Hughes has today published the report of the investigation into the treatment of Public Servants within the Ministry of Transport who raised concerns about the conduct of jailed fraudster Joanne Harrison.

Mr Hughes has also announced that the State Services Commission is developing options for how the Protected Disclosures Act can be modernised and made more user friendly, and issued updated guidelines for all public sector agencies systems for escalation of issues or concerns.

The investigation has been carried out by former Deputy State Services Commissioner Sandi Beatie QSO.

The investigation is in response to public concern that Public Servants raised issues about Ms Harrison's activities within the Ministry of Transport and subsequently lost their jobs in a restructure Ms Harrison was involved in. This investigation process was started by the Secretary for Transport, and was subsequently taken over by the State Services Commissioner after the affected staff raised concerns with him directly.

"It is vital that Public Servants can raise concerns about suspected wrong-doing safely and without fear of punishment or reprisals," Mr Hughes said.

Ms Beatie has found that four staff within the Ministry of Transport raised concerns about Joanne Harrison's behaviour and then suffered disadvantage in processes Ms Harrison was involved in. However no staff were made redundant because they raised concerns.

"These Public Servants should never have been disadvantaged because they did the right thing," said Mr Hughes.

"On behalf of the Public Service I am making sure these people get redress for what happened to them," he said.

Ms Beatie has found that three former staff in the Ministry's finance team raised concerns about Ms Harrison's conduct and issues with contracts and invoices on several occasions. This includes one staff member who formally raised concerns with 9(2)(a) privacy

Ms Beatie has found that these staff were not made redundant because of them raising concerns about Joanne Harrison. She has found that the redundancies were due to the Ministry moving to an automated accounts payable process. This was a planned move that was legitimate for the Ministry to pursue and was properly authorised. Joanne Harrison had no control over this decision.

The investigation has however found that these staff suffered disadvantage and unnecessary hurt and humiliation due to the process that was followed when they were made redundant, and that Joanne Harrison provided advice around this process.

The process that was followed resulted in the staff members being made redundant just before Christmas and ultimately around nine months in advance of the new process coming into effect. There was additional hurt and humiliation for these staff members caused by the

IN-CONFIDENCE – DRAFT ONLY

fact they had to train a temporary staff member to perform their jobs, and one had an offer of further employment made, and then withdrawn.

"While decisions were properly made by the appropriate finance group managers and endorsed by the Chief Executive, the process followed and particularly the timing of the redundancies was based on advice from Joanne Harrison," said Mr Hughes.

"While there is no definitive evidence that Joanne Harrison engineered the process to exit these staff, the convergence of events that took place and her involvement in providing advice gives me cause for concern" Mr Hughes said.

Ms Beatie has recommended that these staff receive an apology and that the State Services Commissioner work with them to reach agreement on appropriate compensation.

"I have met with these former staff members and their families. I thanked them for their public service and apologised to them for the treatment they received after raising genuine and well-founded concerns," Mr Hughes said.

"I repeat that apology publicly," he said.

"I have agreed with them a package of redress and settlement for the disadvantage they suffered," he said.

Ms Beatie has also found that a former member of the Ministry's legal team was disadvantaged by Ms Harrison taking direct action to prevent them from receiving a pay rise they had been recommended to receive. The person involved had pursued concerns that were raised about Ms Harrison's activities, taking the matter up with the Ministry's Chief Executive and Ms Harrison herself.

This person subsequently went to work in another public agency on secondment. While on their secondment they were recommended to receive a pay rise by the agency they were seconded to due to their high performance in the role. Ms Harrison took deliberate steps to prevent this person from receiving the pay rise.

9(2)(h) legal privilege

"I have written to this person to thank them for the action they took and apologise on behalf of the Public Service for what happened to them as a result," Mr Hughes said.

"I have referred the matter to the Secretary for Transport to work with the person involved to remedy the situation and make up for the loss of income they suffered because of Joanne Harrison's actions."

Ms Beatie has also identified two other cases where individual Ministry of Transport staff were treated badly by Ms Harrison. These were not related to whistle-blowing and are outside the investigation's terms of reference."

"Ms Beatie was concerned about what she heard and has recommended the Secretary for Transport look into these cases," Mr Hughes said.

"I have referred this matter to Mr Mersi and asked him to look into what happened and whether the Ministry met its obligations as a good employer," he said.

IN-CONFIDENCE – DRAFT ONLY

IN-CONFIDENCE – DRAFT ONLY

Ms Beatie has made recommendations for steps public sector agencies can take to support their staff to raise concerns safely and easily.

"I have today published updated guidelines for public sector agencies on policies and processes for escalation of issues or concerns, including under the Protected Disclosures Act" said Mr Hughes.

"I am also recommending to the Government that the Protected Disclosures Act be reviewed and updated,"

"This Act is now 17 years old and it no longer reflects international best practice. We need to update it to make it more user friendly for people making disclosures and introduce proper reporting and monitoring requirements."

"Last year I directed every Public Service Chief Executive to review their Protected Disclosure Act policies and processes and internal processes for escalation of issues or concerns.

"Every agency needs to have clear, easily accessible systems for Public Servants to raise concerns, and importantly, they need to make sure their staff know they are there and how to use them if they need to," Mr Hughes said.

"SSC will be engaging with all the Chief Executives on the progress they are making with implementing the new guidelines."

The State Services Commission is part of a research programme into Australasian whistle blowing policies and practices called "Whistling while they Work 2" being led by leading academic Prof AJ Brown from Griffith University in Australia, with participation in New Zealand from the Office of the Ombudsman and Victoria University.

"This research is going to give us a baseline assessment of where New Zealand's whistle blowing systems are currently at and identify areas we can improve and strengthen both our practices and our legislation," Mr Hughes said.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

IN CONFIDENCE

Oral Item on Ministry of Transport "Whistleblowers" Inquiry, and Advice on Protected Disclosure Act 2003

---

<b>Date:</b>	7 July 2017		
<b>Contacts:</b>	Erik Koed (Report on Inquiry) Catherine Williams (Protected Disclosures Act)	<b>Telephone:</b>	+64 4 4956640 +64 4 495 6760

**Key points**

*Ministry of Transport "Whistleblowers" Inquiry*

- The State Services Commissioner appointed Ms Sandi Beatie QSO to undertake an Inquiry into possible disadvantage to Ministry employees who raised concerns about aspects of Joanne Harrison's behaviour while at the Ministry of Transport.
- It is anticipated that Ms Beatie's report will be finalised during the week of 10 July, once natural justice and due process requirements with parties has been completed.
- The Commissioner intends to hold a press conference and publish the final report and related materials. This may take place on Thursday 13 July at the earliest, or possibly the following week.
- The Commissioner will also publish updated guidelines for public sector agencies on raising issues or concerns, including under the Protected Disclosures Act. He will also publically comment on his intention to advise you to consider reviewing the Protected Disclosures Act.
- The Inquiry has been undertaken pursuant to sections 23 and 25 (2) of the State Sector Act 1988 with the requirement to report to the State Services Commissioner on:
  - Whether or not any current or former employee of the Ministry of Transport (including contractors or secondees) who raised concern about the behaviour of Joanne Harrison was disadvantaged in their employment as a result of raising those concerns;
  - If so the circumstances of any disadvantage that occurred;
  - What, if anything, should occur by way of remedy;
  - Any recommendations on the implementation and management of protected disclosures or complaint mechanisms within the public service
- It is anticipated that Ms Beatie's report may find that four individuals who raised issues were disadvantaged, and that consideration of redress will be recommended. Two other cases where individual staff were treated badly by Ms Harrison, but which were not related to whistle-blowing, are also likely to be identified.
- Once Ms Beatie's final report has been received, the Commissioner's intends to enter into a restorative process with disadvantaged former staff to ensure their concerns are remedied. Some aspects will be referred to the Secretary for Transport. This will occur prior to any public release of the report or its findings.

*Protected Disclosures Act 2000*

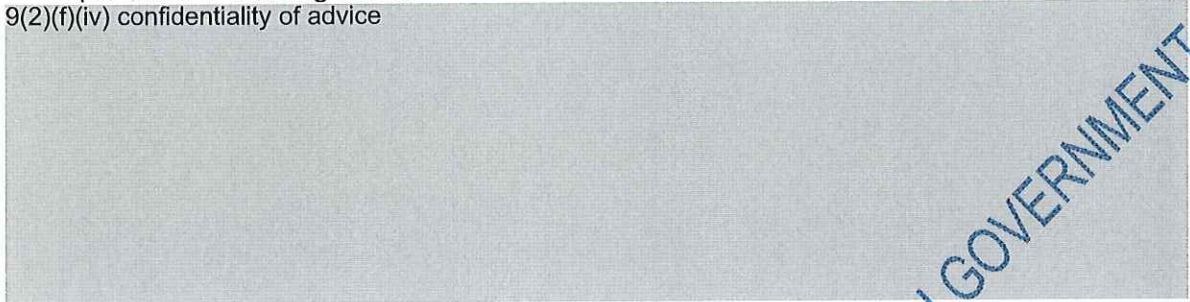
- The Protected Disclosure Act 2000 needs attention. Recent cases in the public service, and research released recently by Prof A J Brown, have reinforced SSC's view that we should be initiating the thinking to support legislative change in due course. It is timely to review the Protected Disclosure Act which is now 17 years old and has fallen behind current best practice.



IN CONFIDENCE

- As Minister of State Services, you are the administering Minister for this Act and SSC is the administering agency.
- In commenting at the release of the Beatie Report on his intention to advise you to consider reviewing the Protected Disclosure Act, the Commissioner will identify that we are interested in particular in thinking about:

9(2)(f)(iv) confidentiality of advice



RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

## Nicholai Mumford [SSC]

---

**From:** Debbie Power [SSC]  
**Sent:** Wednesday, 19 July 2017 5:59 p.m.  
**To:** Nicholai Mumford [SSC]  
**Subject:** FW: 2273339\_Letter to Peter MErsi re Beatie Report.nrl  
**Attachments:** 2273339\_Letter to Peter MErsi re Beatie Report.nrl; 2273339\_Letter to Peter MErsi re Beatie Report.DOCX

--  
Debbie Power  
Deputy State Services Commissioner  
State Services Commission  
DDI: +64 4 495 6753

Debbie.Power@ssc.govt.nz  
[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

*We lead the public sector in the service of our nation.  
We lead, we serve.*

New Zealand's State Services Commission: Leading a State sector New Zealand is proud of

.....  
Caution: If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

---

**From:** Tim Ingleton [SSC]  
**Sent:** Thursday, 13 July 2017 4:29 p.m.  
**To:** Tim Ingleton [SSC] <Tim.Ingleton@ssc.govt.nz>; Amanda Rapley [SSC] <Amanda.Rapley@ssc.govt.nz>; Andrew Royle [SSC] <Andrew.Royle@ssc.govt.nz>  
**Cc:** Kellie Coombes [SSC] <kellie.coombes@ssc.govt.nz>; Debbie Power [SSC] <Debbie.Power@ssc.govt.nz>; Dallas Welch [SSC] <Dallas.Welch@ssc.govt.nz>; Catherine Williams [SSC] <Catherine.Williams@ssc.govt.nz>  
**Subject:** FW: 2273339\_Letter to Peter MErsi re Beatie Report.nrl

Hi

This is the letter Peter has signed out to Peter Mersi.

Cheers  
T

---

**From:** Erik Koed [SSC]  
**Sent:** Thursday, 13 July 2017 10:09 a.m.  
**To:** Tim Ingleton [SSC] <Tim.Ingleton@ssc.govt.nz>; Amanda Rapley [SSC] <Amanda.Rapley@ssc.govt.nz>; Andrew Royle [SSC] <Andrew.Royle@ssc.govt.nz>  
**Cc:** Kellie Coombes [SSC] <kellie.coombes@ssc.govt.nz>; Debbie Power [SSC] <Debbie.Power@ssc.govt.nz>; Dallas Welch [SSC] <Dallas.Welch@ssc.govt.nz>; Catherine Williams [SSC] <Catherine.Williams@ssc.govt.nz>  
**Subject:** 2273339\_Letter to Peter MErsi re Beatie Report.nrl

[IN-CONFIDENCE]

First draft letter from Commissioner to Peter Mersi (need to make sure aligned with other materials)

--

Erik Koed

Assistant Commissioner

State Services Commission

DDI: +64 4 495 6640

Mob: 9(2)(a) privacy

Fax: +64 4 495 6686

[Erik.Koed@SSC.govt.nz](mailto:Erik.Koed@SSC.govt.nz)

[www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

13 July 2017

Peter Mersi  
Secretary for Transport  
Ministry of Transport

Dear Peter

**Report on Investigation into Whistle Blower Treatment within the Ministry of Transport**

As you know, I announced in May that I was appointing Sandi Beatie QSO to investigate the treatment of Public Servants within the Ministry of Transport who had raised concerns about the conduct of Joanne Harrison.

This investigation superseded the independent review process that you had already set up for current or former staff to raise concerns about their treatment. This was an entirely appropriate course of action for you to take, however due to public concern about this issue I felt it was necessary to provide additional public confidence and enable use of the investigatory powers under the State Sector Act.

Ms Beatie has now provided me with her final report, a copy of which is attached. Ms Beatie has made a number of recommendations in her report, and I have accepted all of them.

As you will see, Ms Beatie has found that four individuals who raised issues were disadvantaged, and consideration of redress is recommended. Two other cases have also been identified where individual staff may have been treated badly by Ms Harrison, but which were not related to whistle-blowing and are therefore outside her terms of reference.

I am meeting with the three former members of the finance team to thank them for their public service and apologise to them for the treatment they received after raising concerns. I will also seek to agree with them a package of redress and settlement for the disadvantage they suffered.

I am also writing to the former member of the legal team to thank them for the action they took and apologise for what happened to them subsequently. In accordance with Ms Beatie's recommendations, I am referring this matter to you to discuss the situation with the individual concerned and their current employer to remedy the situation.

I am also referring to you the two other instances identified by Ms Beatie where staff were treated badly by Ms Harrison, to look into what happened and whether the Ministry met its obligations as a good employer.

It is now for you to take up these matters and ensure that appropriate steps are taken to resolve the issues. I would appreciate your keeping me informed of your approach and advising me of the decisions you make.

Ms Beatie has also made recommendations for steps public sector agencies can take to support their staff to raise concerns safely and easily. I will be publishing updated guidance

for Public Servants and public sector agencies on the escalation of issues or concerns, including under the Protected Disclosures Act. I am also recommending to the Government that the Protected Disclosures Act be reviewed and updated.

As you will see in her report, Ms Beatie identifies that across the group of people spoken to there was uncertainty and widely varying understanding about what 'whistle-blowing' means or how to go about it. Given those findings, I would also appreciate your advice on the steps you are taking to ensure that Ministry of Transport staff are clear about how they can raise concerns safely and easily in future.

I will be seeking to resolve matters of redress with the three former finance staff over the next few days. It is then my intention to hold a press conference with Ms Beatie, and to publically release her report and my response to her findings and recommendations.

Yours sincerely

Peter Hughes  
State Services Commissioner

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

## Nicholai Mumford [SSC]

---

**From:** Tim Ingleton [SSC]  
**Sent:** Wednesday, 19 July 2017 5:37 p.m.  
**To:** Nicholai Mumford [SSC]  
**Subject:** FW: collateral for tomorrow  
**Attachments:** 2273889\_MoT investigation- draft MoT statement.DOCX; 2272343\_MoT investigation - press release.DOCX

---

**From:** Tim Ingleton [SSC]  
**Sent:** Wednesday, 19 July 2017 4:08 p.m.  
**To:** 'Gavin Middleton' <g.middleton@transport.govt.nz>  
**Cc:** David Bowden <d.bowden@transport.govt.nz>; Amanda Rapley [SSC] <Amanda.Rapley@ssc.govt.nz>  
**Subject:** collateral for tomorrow

[SEEMAIL][IN-CONFIDENCE]

Hi Gavin

Please find attached our media statement and a draft media statement for you to consider for MoT. This will all come out tomorrow.

The statement will need some extra information on what MoT has done to review and improve whistleblowing systems and processes following the direction Peter Hughes gave to Public Service CEOs last year.  
<http://www.ssc.govt.nz/media-statement-commissioners-statement-conduct-expectations>

In terms of timing, the run sheet I am working to is below.

- 11:00 – media advisory issued
- 12:30 – message to Public Service Chief Executives
- 12:30 – advance copies to stakeholders under embargo (Prof AJ Brown, Michael Macaulay VUW, PSA)
- 1:30 – media conference starts with 15 minute pre-read
- 1:45 – Commissioner and Sandi Beatie give statements then answer questions
- 2:15 – Media conference concluded. SSC media statement issued. Report published on website with proactive release of emails and other internal documents.
- 2:20 – Ministry of Transport issue media statement

I think MoT staff should get a heads up that the report is coming out today at 11:00 as there may be some media coverage once the advisory is issued.

Then a more substantive message in-confidence and under embargo at 1:30 once the press conference starts.

I'll leave it to you to draft your message to staff but if you could send through copy that would be great.

Peter Hughes is looking over the reactive Q&A to approve and I'll send you that once signed off.

In terms of issuing the media statement, I can't be certain of timing as I'll be managing the conference and it will be dependent on that. I'll copy you in once our statement goes and if you go 5 minutes after that hits your inbox you'll be safe.

Any issues or questions please let me know.

Best regards  
Tim.

--

**Tim Ingleton**

Principal Communications Advisor | State Services Commission

P +64 4 495 6648 | M +64 21 240 7810 | E [Tim.Ingleton@SSC.govt.nz](mailto:Tim.Ingleton@SSC.govt.nz)

Level 10, 2 The Terrace, Wellington 6140 | [www.ssc.govt.nz](http://www.ssc.govt.nz) | [newzealand.govt.nz](http://newzealand.govt.nz)

*We lead the public sector in the service of our nation.*

*We lead, we serve.*

.....  
Caution: If you have received this message in error please notify the sender immediately and then delete this message along with any attachments. Please treat the contents of this message as private and in confidence.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

**DRAFT ONLY IN-CONFIDENCE**

18 July 2017

Ministry of Transport whistle-blower protections investigation – Draft MoT Press release

---

***Secretary for Transport welcomes SSC investigation report***

Secretary for Transport Peter Mersi has today welcomed the report of the State Services Commission investigation into the protection of whistle-blowers within the Ministry of Transport.

The independent investigator, Sandi Beatie QSO, has found that four former staff members of the Ministry of Transport were disadvantaged by the actions of convicted fraudster Joanne Harrison in events which took place in 2015.

"I welcome Ms Beatie's report," Mr Mersi said.

"These former staff members did the right thing and they should never have been disadvantaged because of that," said Mr Mersi.

"I apologise to these people for what happened," he said.

"I totally support the process of redress the State Services Commissioner has followed with the three former members of the Ministry's finance team who were made redundant," he said.

Ms Beatie has referred three cases to the Secretary for Transport to consider and work through.

"I am working with these people to resolve the concerns Ms Beatie has identified," said Mr Mersi.

"I am committed to making sure that Ministry of Transport staff can raise concerns safely so they can be looked into and addressed," he said.

Insert comment on work improving the Ministry's whistle-blowing processes

ENDS



IN-CONFIDENCE – DRAFT ONLY

19 July 2017

Ministry of Transport whistle-blower protections investigation – Draft Press release

---

***Report of investigation into whistle blower treatment within the Ministry of Transport***

State Services Commissioner Peter Hughes has today published the report of the investigation into the treatment of Public Servants within the Ministry of Transport who raised concerns about the conduct of jailed fraudster Joanne Harrison.

Mr Hughes has also announced that the State Services Commission is developing options for how the Protected Disclosures Act can be modernised and made more user friendly, and issued standards for government agencies on effective systems for staff to raise concerns.

The investigation was carried out by former Deputy State Services Commissioner Sandi Beatie QSO.

The investigation is in response to public concern that Public Servants raised issues about Ms Harrison's activities within the Ministry of Transport and subsequently lost their jobs in a restructure Ms Harrison was involved in. This investigation process was started by the Secretary for Transport, and was subsequently taken over by the State Services Commissioner after the affected staff raised concerns with him directly.

"It is vital that Public Servants can raise concerns about suspected wrong-doing safely and without fear of punishment or reprisals," Mr Hughes said.

Ms Beatie has found that four staff within the Ministry of Transport raised concerns about Joanne Harrison's behaviour and then suffered disadvantage in processes Ms Harrison was involved in. However no staff were made redundant because they raised concerns.

"These Public Servants should never have been disadvantaged because they did the right thing," said Mr Hughes.

"I am making sure these people get redress for what happened to them," he said.

**Redundancies of former staff in the Ministry's Finance Team**

Ms Beatie has found that three former staff in the Ministry's finance team raised concerns about Ms Harrison's conduct and issues with contracts and invoices on several occasions. This includes one staff member who formally raised concerns with a senior member of the Ministry's legal team.

Ms Beatie has found that these staff were not made redundant because of them raising concerns about Joanne Harrison. She has found that the redundancies were due to the Ministry moving to an automated accounts payable process. This was a planned move that was legitimate for the Ministry to pursue and was properly authorised. Joanne Harrison had no control over this decision.

The investigation has however found that these staff suffered disadvantage and unnecessary hurt and humiliation due to the process that was followed when they were made redundant, and that Joanne Harrison provided advice around this process.

The process that was followed resulted in the staff members being made redundant just before Christmas and ultimately around seven and a half months in advance of the new automated accounts payable system coming into effect. There was additional hurt and humiliation for these staff members caused by the fact they had to train a temporary staff

IN-CONFIDENCE – DRAFT ONLY

member to perform their jobs, and one had an offer of further employment made, and then withdrawn.

"While decisions were properly made by the appropriate finance group managers and endorsed by the Chief Executive, the process followed and particularly the timing of the redundancies was based on advice from Joanne Harrison," said Mr Hughes.

"While there is no definitive evidence that Joanne Harrison engineered the process to exit these staff, the convergence of events that took place and her involvement in providing advice gives me cause for concern," Mr Hughes said.

Ms Beatie has recommended that these staff receive an apology and that the State Services Commissioner work with them to reach agreement on appropriate compensation.

"I have met with these former staff members and their families. I thanked them for their public service and apologised to them for the treatment they received after raising genuine and well-founded concerns," Mr Hughes said.

"I repeat that apology publicly," he said.

"I have agreed with them a package of redress and settlement for the disadvantage they suffered," he said.

**Remuneration of former member of the Ministry's Legal Team**

Ms Beatie has found that a former member of the Ministry's legal team was disadvantaged by Ms Harrison taking direct action to prevent them from receiving additional remuneration they had been recommended to receive. The person involved had pursued concerns that were raised about Ms Harrison's activities, taking the matter up with the Ministry's Chief Executive and Ms Harrison herself.

This person subsequently went to work in another public agency on secondment. While on their secondment they were recommended to receive a pay rise by the agency they were seconded to due to their high performance in the role. Ms Harrison took deliberate steps to prevent this person from receiving the pay rise.

"Based on the facts set out in the report, this has every appearance of being punishment for this person raising legitimate concerns through appropriate channels," Mr Hughes. "Using public office to punish someone in this way is inappropriate and unacceptable."

"I have written to this person to thank them for the action they took and apologise on behalf of the Public Service for what happened to them as a result," Mr Hughes said.

"I have referred the matter to the Secretary for Transport to work with the person involved to remedy the situation and make up for the loss of income they suffered because of Joanne Harrison's actions."

**Other individuals not related to whistle-blowing**

Ms Beatie has also identified two other cases where individual Ministry of Transport staff may have been treated badly by Ms Harrison. These were not related to whistle-blowing and are outside the investigation's terms of reference."

"Ms Beatie was concerned about what she heard and has recommended the Secretary for Transport look into these cases," Mr Hughes said.

IN-CONFIDENCE – DRAFT ONLY

"I have referred this matter to Mr Mersi and asked him to look into what happened and whether the Ministry met its obligations as a good employer," he said.

**Improving whistle-blowing systems in public sector agencies**

Ms Beatie has made recommendations for steps public sector agencies can take to support their staff to raise concerns safely and easily.

"I have today published standards for public sector agencies on having effective systems for their staff to raise and escalate issues or concerns, including under the Protected Disclosures Act" said Mr Hughes.

"I am also recommending to the Government that the Protected Disclosures Act be reviewed and updated," he said.

"This Act is now 17 years old and it no longer reflects international best practice. We need to update it to make it more user friendly for people making disclosures and introduce proper reporting and monitoring requirements."

"Last year I directed every Public Service Chief Executive to review their Protected Disclosure Act policies and processes and internal processes for escalation of issues or concerns.

"Every agency needs to have clear, easily accessible systems for Public Servants to raise concerns, and importantly, they need to make sure their staff know they are there and how to use them if they need to," Mr Hughes said.

"SSC will be engaging with all the Chief Executives on the progress they are making with updating their policies and systems, and communicating this to their staff."

The State Services Commission is part of a research programme into Australasian whistle blowing policies and practices called "Whistling while they Work 2" being led by leading academic Prof AJ Brown from Griffith University in Australia, with participation in New Zealand from the Office of the Ombudsman and Victoria University.

"This research is going to give us a baseline assessment of where New Zealand's whistle blowing systems are currently at and identify areas we can improve and strengthen both our practices and our legislation," Mr Hughes said.

Ms Beatie's report is available on the SSC website [\[insert hyperlink\]](#).

The total cost of this investigation is \$####

ENDS