

annual report

2020–21

I·C·A·C

INDEPENDENT COMMISSION
AGAINST CORRUPTION
NEW SOUTH WALES



This publication is available in other formats for the vision-impaired upon request. Please advise of format needed, for example large print or as an ASCII file.

ISSN 1033-9973

© October 2021 – Copyright in this work is held by the Independent Commission Against Corruption. Division 3 of the Commonwealth *Copyright Act 1968* recognises that limited further use of this material can occur for the purposes of 'fair dealing', for example for study, research or criticism etc. However, if you wish to make use of this material other than as permitted by the *Copyright Act 1968*, please write to the ICAC at GPO Box 500, Sydney NSW 2001.

This report was produced in print and electronic formats for a total cost of \$2,190 (including GST). The report is available on the ICAC website www.icac.nsw.gov.au.

Contents

TRANSMISSION LETTER	3	Public inquiries and compulsory examinations	37
CHIEF COMMISSIONER'S FOREWORD	4	Investigation outcomes	37
SNAPSHOT 2020–21	6	Witness cooperation policy	37
CHAPTER 1: OVERVIEW	8	Proceeds of crime	38
Organisational chart	9	Referrals and other disseminations	38
Structure of the ICAC	10	Improving investigative practices	39
What we do	12	CHAPTER 4: PREVENTING CORRUPTION	40
Exposing corruption	12	Corruption prevention projects	41
Preventing corruption	13	Advice	42
Accountability	14	Education	42
Our organisation	14	CHAPTER 5: COMPLIANCE AND ACCOUNTABILITY	46
Financial overview	16	The Commission's compliance framework	47
CHAPTER 2: ASSESSING MATTERS	17	Internal governance	48
Performance in 2020–21	18	External governance	49
Profile of matters received	19	Principal legal changes	53
Anonymous complaints	20	Litigation	53
Complaints from the public	21	Complaints against Commission officers	53
Public interest disclosures	23	Privacy and personal information	54
Reports from public authorities and ministers	24	Access to information	54
The assessment process	26	Report publicly about the work of the Commission	54
CHAPTER 3: INVESTIGATING CORRUPTION	31	CHAPTER 6: OUR ORGANISATION	58
Significant issues impacting investigations in 2020–21	32	Human resources, risk management and corporate administration	59
Strategic Intelligence and Research Unit	33	Finance	61
How we investigate	34	Internal committees	62
Our investigations	34	Information management and technology	64
Use of statutory powers	37		

FINANCIALS	66		
Statement of Comprehensive Income for the year ended 30 June 2021	71	Appendix 12 – Engagement and use of consultants	129
Statement of Financial Position as at 30 June 2021	72	Appendix 13 – Payment performance indicators	130
Statement of changes in equity for the year ended 30 June 2021	73	Appendix 14 – Credit card certification	131
Statement of cash flows for the year ended 30 June 2021	74	Appendix 15 – Overseas travel	131
Notes to and forming part of the financial statements for the year ended 30 June 2021	75	Appendix 16 – Major works	131
		Appendix 17 – Witness cooperation policy	131
		INDEX	134
APPENDICES	97		
Appendix 1 – Complaints profile	98		
Appendix 2 – Public interest disclosures	101		
Appendix 3 – Statutory reporting	102		
Appendix 4 – Outcomes of matters	103		
Appendix 5 – Adoption of corruption prevention recommendations	104		
Appendix 6 – Strategic alliances to optimise investigative outcomes	105		
Appendix 7 – Prosecution and disciplinary action in 2020–21 arising from ICAC investigations	106		
Appendix 8 – Report on the ICAC's obligations under the <i>Government Information (Public Access) Act 2009</i>	120		
Appendix 9 – Commissioners, Chief Executive Officer and executive officers	124		
Appendix 10 – Workforce diversity and Multicultural Policies and Services Program	126		
Appendix 11 – Work health and safety	128		

The Hon Dominic Perrottet MP
Premier of NSW
Parliament House
SYDNEY NSW 2000

The Hon Matthew Mason-Cox MLC
President
Legislative Council
Parliament House
SYDNEY NSW 2000

The Hon Jonathan O'Dea MP
Speaker
Legislative Assembly
Parliament House
SYDNEY NSW 2000

Mr Premier
Mr President
Mr Speaker

In accordance with the requirements of the *Annual Reports (Departments) Act 1985* and the *Independent Commission Against Corruption Act 1988*, the Commission hereby furnishes to you the Commission's annual report for the year ended 30 June 2021.

The report has been prepared in accordance with the requirements of those Acts.

Pursuant to s 78(2) of the ICAC Act, it is recommended that this report be made public immediately. This recommendation allows either presiding officer of the Houses of Parliament to make the report public whether or not Parliament is in session.

Yours sincerely



The Hon Peter Hall QC
Chief Commissioner



Philip Reed
Chief Executive Officer

Chief Commissioner's foreword



The year 2020–21 was one of challenges; challenges for the world as it faced the COVID-19 pandemic, challenges for individuals and those close to them, and challenges for business and government.

The NSW Independent Commission Against Corruption also faced challenges in these uncertain times. Like everyone else, the last few months of the previous financial year gave us a taste of what working in this new environment was like – operating remotely, being in lockdown, isolation from regular interaction with colleagues, all while juggling the demands of daily life.

As the pandemic continued, in accordance with government public health orders, the Commission spent the first half of 2020–21 working remotely, with a staged return to the office commencing on 14 December 2020 (although we used our premises earlier to recommence compulsory examinations in August and public inquiries in September). As the reporting period drew to a close, we were again in lockdown and waiting to see what would arise next.

I am pleased and proud to report that the Commission rose to the challenges that the necessary COVID-19 measures and constraints brought upon it during the year. Readers will note in chapter 2 that we managed 500 more reports and complaints in 2020–21 than in 2019–20, rising to 2,916 from 2,416 in the previous year. We also dealt with matters well within the target time.

Our investigation work also kept up an extraordinary pace during the 2020–21 year; while the impact of the pandemic did have an effect on the time taken to manage our investigative work, which is examined in detail in chapter 3, the Commission delivered results by way of furnishing five investigation reports to the NSW Parliament. In the reports, the Commission made 32 serious corrupt conduct findings against seven people, and recommended that the advice of the Director of Public Prosecutions (DPP) be sought with respect to the prosecution of nine people for various offences. The DPP also commenced prosecutions against 10 people, arising from Commission investigations.

The valuable contribution that the Commission makes to NSW, in addition to its investigation, exposure and corruption prevention work, was also demonstrated this year by the approximately \$10 million in proceeds of corrupt conduct that were either frozen or forfeited to the state due to Commission investigations.

The Commission held three public inquiries during 2020–21, although in a very different way from how we have conducted them previously. Due to the health protocols in place regarding COVID-19, we decided that the safest way to conduct the inquiries was to have the minimum number of people present, and to live stream the proceedings, as unfortunately we were not able to safely provide general public access on our premises. Through the hard work and adaptability of our investigation (including legal and corruption prevention), communications, corporate services and executive support teams, we were able to safely conduct the public inquiries and share the proceedings online.

Corruption prevention also rose to the challenges of 2020–21; our commitment to education and awareness did not waver in these unusual times, but just took a different form as the majority of our workshops and speaking presentations were conducted online. As explored in chapter 4, we reached over 7,800 people via 201 mostly online presentations and workshops, and provided corruption prevention advice on 150 occasions. The Commission also made 85 corruption prevention recommendations in its investigation reports this year, with 29 of those recommendations featuring in the Commission's corruption prevention-based Operation Eclipse investigation into lobbying.

The Commission also produced a number of educational videos, available on our YouTube channel, which recorded 108,000 views during the year. Our YouTube and Twitter accounts proved to be valuable tools in reaching our audiences and sharing information and raising awareness during these constrained times. They enabled us to share messages and encouraged visitors to access more detailed information on our website, including how to report corruption online. In all, we recorded 971,599 external visitor sessions to icac.nsw.gov.au.

Against this background of high-level activity, the Commission continued to make its case to the NSW Government about how it is funded. We followed up the special report produced under s 75 of the ICAC Act and furnished to Parliament in May 2020, which discussed the need for a new independent funding model for the ICAC, with a further special s 75 report to Parliament in November 2020.

As examined further in chapter 5 of this annual report, ultimately the November s 75 report “sought the response of the Parliament to the issues identified in both special reports by exercising its role and authority to implement a new funding model that ensures the Commission is properly funded by a mechanism independent of Executive Government control”.

At the time of writing, the Parliamentary Committee on the ICAC had provided an interim response indicating that it will wait until December 2021 before any further considerations of the issue to allow time for the Commission to consult with the NSW Government about the latter’s response to the Auditor-General’s October 2020 report recommendations. It is not just the Commission that has raised these concerns and reached the same conclusion that it needs to be funded independently of Executive Government control. The October 2020 NSW Auditor-General’s report, *The effectiveness of the financial arrangements and management practices in four integrity agencies*, referred to above, examined the Commission and three other agencies.

Key findings in the report included that the role of the Executive Government in deciding annual funding for the integrity agencies presents threats to their independence and the legal basis for restricting the integrity agencies’ access to appropriation funding is contestable. Specific findings in relation to the Commission included that the process for determining the Commission’s annual appropriation funding does not recognise the Commission’s status as an independent agency and the existing safeguards to threats to the Commission’s independence arising from the current funding model are not sufficient. The audit also noted that the Commission’s expenditure has been higher than its revenue in

most recent years, due to the significant reduction in funding in 2015–16, while demand for assessments of potential corrupt conduct remained steady and the Commission’s investigation activities increased.

The subject of Commission funding has generated ongoing interest in the community, the media and in the Parliament. Recent figures that have been quoted publicly about increases to the Commission’s annual budget over the past decade, particularly that the Commission has received an increase of more than 60% since 2010–11, require clarification.

The perception that the Commission has received a 60.7% increase since the \$19.4 million budget in 2010–11 is not accurate;* the 2010–11 figure needs to be adjusted to today’s dollars to make an accurate comparison. Adjusted for inflation and calculated applying the current Reserve Bank of Australia’s average inflation rate (1.9%), the Commission’s original total budget for 2020–21 has increased by 37% from the funding provided in 2010–11. If the average Australian Government’s Treasury 10-year bond rate (3.45%) over a 10-year period is applied to the 2010–11 funding, then the increase in the ICAC budget is only 17%.

As we look to the next financial year, our total budget expenditure of \$32.4 million is \$2.4 million shy of what the Commission sought from the Government as part of the 2021–22 budget process. In 2020–21, 108 officers were employed on a permanent basis, which is lower than 10 years ago. Yet the volume of the Commission’s work has continued to increase. This all further highlights the need for a new funding model for the Commission to ensure that it can have adequate resources to continue to take up the fight on behalf of the NSW community against corruption in the public sector.

I commend the Commission’s executive and staff for the high level of work they have consistently produced in these challenging times. Commissioners Patricia McDonald SC and Stephen Rushton SC and I have been so impressed by our staff’s dedication and willingness to adapt to circumstances that have been difficult at times. There are many examples of their contributions along with the valuable contribution the Commission as a whole makes to NSW, as detailed in this report, which I trust readers will find interesting and informative.



The Hon Peter Hall QC
Chief Commissioner

* See comments made on 6 May 2021 during the Second Reading Debate in the NSW Legislative Assembly on the ICAC and Other Independent Commissions Legislation Amendment (Independent Funding) Bill 2020.

Snapshot 2020–21

Public inquiries



conducted

3

over

68

days

Compulsory examinations



conducted

85

over

72

days

Corrupt conduct

32

serious corrupt conduct findings made against 7 people



Prosecution advice

9

recommended the advice of the Director of Public Prosecutions be sought regarding the prosecution of 9 people



2,916

Matters received and managed

5

Investigation reports furnished to Parliament

c.\$10 million



in proceeds of corrupt conduct either frozen or forfeited to the state due to Commission investigations.

Corruption prevention



presentations and training

201 anti-corruption mostly online speaking presentations and training workshops, reaching over 7,800 people

201

7,800



advice provided

150
occasions

Preliminary investigations



commenced
(new)

16

4 SIRU*



completed

24

4 SIRU*



completed
within 120-day
target

62.25%

Operations

commenced (new)



7

completed



7



Recorded 267 staff attendances at learning activities, equating on average to each staff member participating in 12.5 hours of formal development



Published two editions of the *Corruption Matters* e-newsletter, reaching approximately 1,000 subscribers, with readers located in Australia and overseas



Recorded 971,599 external visitor sessions to the ICAC website



Recorded 108,000 views on its YouTube channel

*The Strategic Intelligence and Research Unit

Chapter 1: Overview

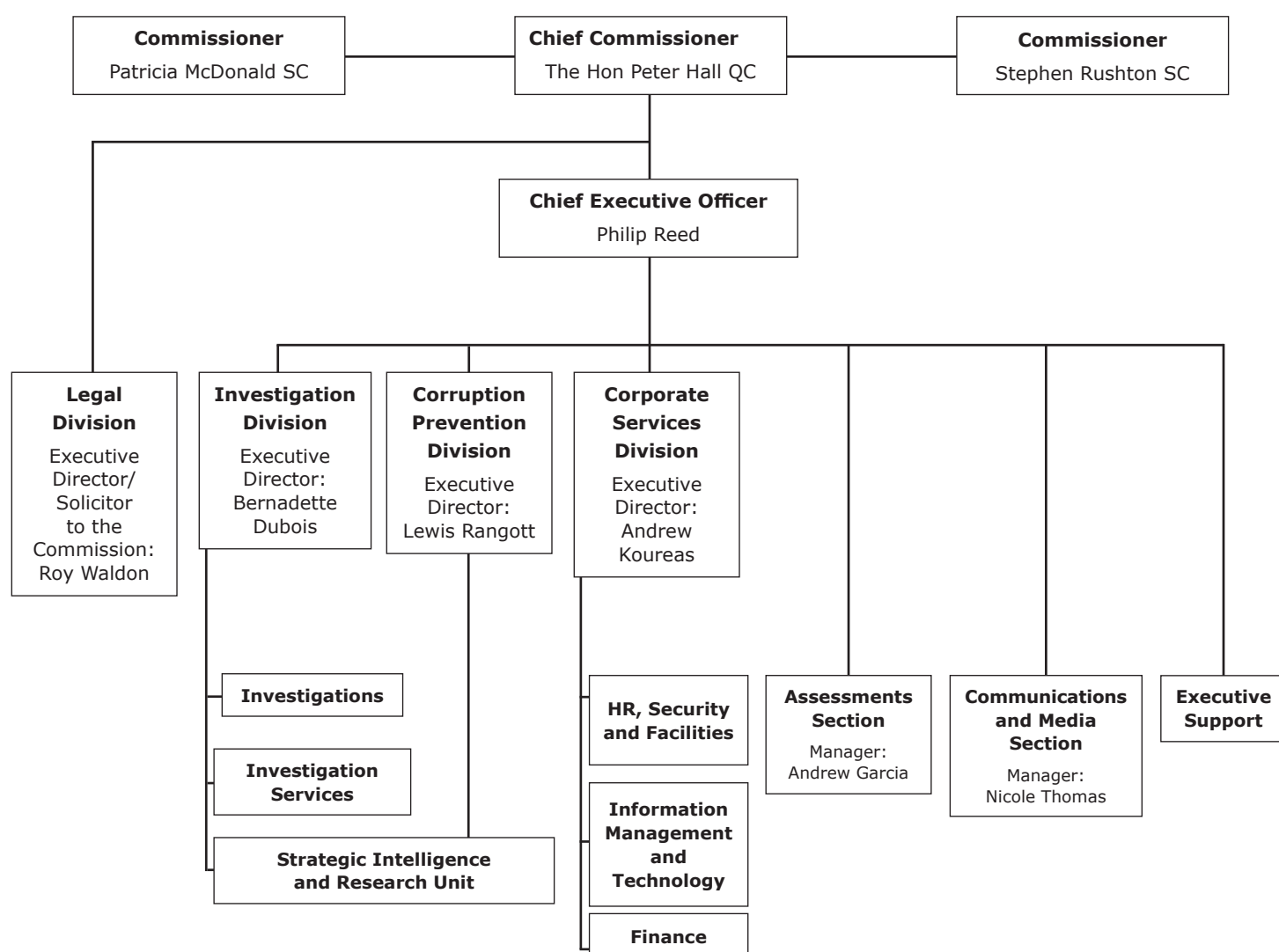
Organisational chart.....	9
Structure of the ICAC	10
What we do.....	12
Exposing corruption	12
Preventing corruption	13
Accountability	14
Our organisation.....	14
Financial overview	16

Our mission is to
combat corruption
and improve the
integrity of the
NSW public sector.

The NSW Independent Commission Against Corruption (“the Commission”) was established as an independent and accountable body by the *Independent Commission Against Corruption Act 1988* (“the ICAC Act”) in response to community concern about the integrity of public administration in the state. The principal functions of the Commission as set out in the ICAC Act are:

- to investigate and expose corrupt conduct in the public sector
- to actively prevent corruption through advice and assistance, and
- to educate the NSW community and public sector about corruption and its effects.

Organisational chart*



* As at 30 June 2021.

Structure of the ICAC

Commissioners

The Commission is led by the Chief Commissioner, who oversees the Commission's work and ensures that it meets the objectives of, and complies with the requirements set out in, the ICAC Act and all other relevant legislation.

The Commission also has two part-time commissioners. The Chief Commissioner and the part-time Commissioners' roles include participating in determining if a matter will proceed to a public inquiry. The Chief Commissioner and the part-time Commissioners can also preside at compulsory examinations and public inquiries.

The Hon Peter Hall QC is the current Chief Commissioner, and the part-time Commissioners are Patricia McDonald SC and Stephen Rushton SC.

Chief Executive Officer

The Chief Executive Officer (CEO) leads and directs the day-to-day management of the affairs of the Commission and is responsible for the implementation of the decisions of the Commissioners (and Assistant Commissioners).

The CEO provides advice to assist the Commissioners in their decision-making, resource allocation and strategic planning, and provides leadership and guidance to the executive management team.

Philip Reed was the CEO during 2020–21.

The roles of the Commission's functional areas are described below.

Executive Support Section

The Executive Support Section provides administrative and associate support to the Chief Commissioner and Commissioners, and acts as a point of contact to the CEO. It also provides secretariat services to executive management groups, and provides reception and switchboard services. In the reporting period, the Executive Support Section had an average of 4.78 full-time equivalent (FTE) staff.

Assessments Section

The Assessments Section is the first point of contact for complaints and reports made to the Commission. Assessments receives and registers all complaints, reports (whether from external agencies or internally generated) about alleged corrupt conduct, general enquiries and feedback. It also manages and reviews matters that the Commission refers for investigation by public sector agencies under s 53 and s 54 of the ICAC Act.

Andrew Garcia was the Manager of the Assessments Section during 2020–21. In the reporting period, the section had an average of 12.25 FTE staff.

Investigation Division

The Investigation Division comprises the investigation section and the investigation services section. The investigation section consists of three operational investigation teams and includes investigators, forensic accountants, intelligence analysts and support staff. The division's investigation services section supports the Commission's investigations with surveillance, forensic, property services and technical personnel.

The Commission takes a multidisciplinary approach to its investigation function, with investigative teams including staff from other divisions. The Strategic Intelligence and Research Unit, which proactively identifies suspected corruption for referral for investigation and develops strategic intelligence products and reports, is linked to both the Investigation and the Corruption Prevention divisions.

Bernadette Dubois was the Executive Director of the Investigation Division during 2020–21. In the reporting period, the division had an average of 50.82 FTE staff.

Corruption Prevention Division

The Corruption Prevention Division's principal functions include examining the laws, practices and procedures of public officials that may be conducive to corrupt conduct, while educating, advising and assisting public authorities and the community on

ways in which corrupt conduct may be eliminated. The division's role also includes promoting the integrity and good repute of public administration.

Lewis Rangott was the Executive Director of the Corruption Prevention Division during 2020–21. In the reporting period, the division had an average of 15.09 FTE staff.

Legal Division

The Legal Division assists the Commission to perform its principal functions and to exercise its statutory powers in a lawful, effective, ethical and accountable manner by providing high-quality, accurate and timely legal services. To achieve this, a lawyer is assigned to each investigation.

Commission lawyers assist in the planning and conduct of all investigations and provide advice, as required, to other sections of the Commission. They may also act as counsel in compulsory examinations. Commission lawyers prepare briefs for and instruct counsel at public inquiries. They also assist with the preparation of investigation reports, oversee the preparation of briefs of evidence for submission to the Director of Public Prosecutions (DPP) and liaise with DPP lawyers in relation to answering requisitions for further evidence and the conduct of any prosecutions.

Roy Waldon was the Executive Director of the Legal Division and Solicitor to the Commission during 2020–21. In the reporting period, the division had an average of 10.69 FTE staff.

Corporate Services Division

The Corporate Services Division partners with all divisions and organisational units of the Commission to provide corporate support. It delivers human resources, administrative, security, facilities, financial and information management and technology services.

Other functions provided to support the Commission's activities include recruitment, payroll, risk management and procurement.

Andrew Koureas was the Executive Director of the Corporate Services Division during 2020–21. In the reporting period, the division had an average of 17.97 FTE staff.

Communications and Media Section

The Communications and Media Section manages the Commission's internal and external communications functions with various interested parties, including the media, other agencies and ICAC staff via media liaison, publications and resources, social media, corporate identity and branding, major events management, and the ICAC's internet and intranet sites.

Nicole Thomas was the Manager of the Communications and Media Section during 2020–21. In the reporting period, the section had an average of 3.99 FTE staff.

What we do

The Commission's overarching aims are to protect the public interest, prevent breaches of public trust, and guide the conduct of public officials.

Its functions comprise investigating allegations of corrupt conduct in and affecting the NSW public sector, and driving programs and initiatives to minimise the occurrence of such conduct in the state. The Commission also investigates conduct that may involve specified criminal offences referred to it by the NSW Electoral Commission.

The Commission receives and analyses complaints from members of the public and public officials, and reports made by the principal officers of public sector agencies and ministers of the Crown. The Commission may also initiate its own investigations.

It has extensive investigative powers and may conduct hearings to obtain evidence of, and to expose, serious corruption and systemic corruption. The Commission can make findings of corrupt conduct, may make recommendations for disciplinary action and is able to obtain the advice of the DPP with respect to the prosecution of individuals.

The Commission's corruption prevention functions include providing advice and guidance via information, resources, and training to public sector agencies to address existing or potential corruption issues. It also conducts research to identify and help remedy specific areas of corruption risk.

The Commission helps organisations to identify and deal with significant corruption risks. Through the use of various communication tools, including social media, it provides advice and guidance to the wider community about corruption and how to report it.

The Commission is a corporation and is independent of the government of the day. It is accountable to the people of NSW through the NSW Parliament and is also overseen by the Inspector of the ICAC.

The Commission's *Strategic Plan 2017–2021* sets out four key result areas for 2020–21:

- exposing corruption
- preventing corruption
- accountability
- our organisation.

Each division and section develops and works to an individual annual business plan aligned with the Commission's strategic plan. During the year, each division and section reported quarterly to the Executive Management Group against its operational business plan.

The following sections specify the Commission's objectives for each result area. More detailed information and results for each key result area are provided in the chapters that follow.

Exposing corruption

The objectives in the *Strategic Plan 2020–21* for exposing corruption are to:

- detect and investigate corrupt conduct
- identify any methods of work, practices or procedures that allow, encourage or cause the occurrence of corrupt conduct
- ensure a good practice approach for all investigations
- maintain an efficient and effective complaint-handling service
- maintain strategic alliances with other relevant agencies to optimise investigative and preventative outcomes
- maintain a proactive and reactive strategic intelligence capacity.

A detailed description of Commission activities and results relating to this key result area is outlined in Chapter 2 (Assessing matters) and Chapter 3 (Investigating corruption). Table 1 sets out the key quantitative results for workload, work activity and performance for this key result area in 2020–21.

Preventing corruption

The objectives in the *Strategic Plan 2017–2021* for preventing corruption are to:

- encourage government to address corruption risks of state-wide significance and public concern
- ensure public authorities revise practices or procedures to reduce the risk of corrupt conduct occurring, and promote the integrity and good reputation of public administration

- raise awareness in the community of corrupt conduct and encourage reporting of corrupt conduct
- ensure good practice for all corruption prevention work.

A detailed description of Commission activities and results for this key result area is outlined in Chapter 4 (Preventing corruption). Table 2 sets out the key quantitative results for workload, work activity and performance for this key performance area in 2020–21.

Table 1: Key quantitative results for corruption exposure activities

Measure	Target*	2020–21	2019–20	2018–19
Matters received	n/a	2,916	2,416	2,743
Average time to deal with matters (days) in Assessments Section	68	32	28	24
Preliminary investigations commenced	n/a	16	14	18
Preliminary SIRU investigations commenced**	n/a	4	5	–
Full investigations commenced	n/a	7	5	12
Percentage of full investigations completed within 16 months	>80%	20%	30%	50%
Number of public inquiries	n/a	3	4***	4****
Number of public inquiry days	n/a	68	56	133
Number of compulsory examinations	n/a	85	63	83
Number of persons subject to serious corrupt conduct findings	n/a	7	6	8
Number of investigation reports to Parliament	n/a	5	1	3
Percentage of investigation reports furnished within the ICAC's target	80%	20%	100%	67%
Number of persons against whom prosecutions commenced	n/a	10	6	4
Number of persons against whom disciplinary action commenced arising from investigations	n/a	0	0	5*****

* For measures that reflect incoming work or activity beyond the control of the Commission, targets are not set and not applicable (n/a) appears in the column.

** Commencing 2019–20, SIRU preliminary investigations are reported separately from general preliminary investigations.

*** Two of these public inquiries (operations Ember and Skyline) were continued from the previous year.

**** Two of these public inquiries (operations Dasha and Skyline) were continued from the previous year.

***** This figure was incorrectly reported in the *Annual Report 2018–2019* table 1 as "0".

Accountability

The objectives in the *Strategic Plan 2017–2021* for accountability are to:

- provide timely, accurate and relevant reporting to the Inspector of the ICAC and the Parliamentary Committee on the ICAC
- ensure our work complies with all relevant laws and procedures
- report publicly about the work of the Commission
- keep the public informed about the work of the Commission through the publication of its reports and by sharing current information on its website
- assist the Parliamentary Committee on the ICAC.

A detailed description of Commission activities and results for this key result area is outlined in Chapter 5 (Compliance and accountability). Table 3 sets out the key quantitative results for accountability activities in 2020–21.

Our organisation

The objectives in the *Strategic Plan 2017–2021* for our organisation are to:

- continue to develop as a learning organisation that embraces a culture of continuous improvement, excellence and sharing of knowledge
- provide a safe, equitable, productive and satisfying workplace
- be a lead agency in our governance and corporate infrastructure
- monitor our performance to ensure work quality and effective resource management.

A detailed description of Commission activities and results for this key result area is outlined in Chapter 6 (Our organisation).

Table 2: Key quantitative results for corruption prevention activities

Measure	Target	2020–21	2019–20	2018–19
Requests for corruption prevention advice	n/a	150	142	180
Rural and regional outreach visits	2	0**	1*	2
Training sessions delivered	80	101	116	111
Corruption prevention recommendations in investigation reports published during the period	n/a	85	24	46
Percentage of corruption prevention recommendations in investigation reports accepted in action plans as at 30 June 2021	80%	100%	100%	100%
Percentage of public inquiries that resulted in the making of corruption prevention recommendations	90%	100%	100%	100%
Number of prevention reports published	n/a	2	3	4

* A second visit was postponed due to the COVID-19 pandemic and related public health orders.

** The program is on hold due to the COVID-19 pandemic and related public health orders.

Table 3: Key quantitative results for accountability activities

Measure	2020–21	2019–20	2018–19
Parliamentary Committee on the ICAC meetings	2	2	0*
NSW LECC Inspector/Commonwealth Ombudsman inspections of telecommunications intercepts and accesses, surveillance devices and controlled operation records	3	3	2
Number of reports/responses provided to the Inspector of the ICAC	59	13	16
Number of audits conducted by the Inspector of the ICAC	0	1	0
Number of assumed identity audits	1	1	1

* A state election took place during this reporting period.

Financial overview

Statement of Comprehensive Income

The Commission has achieved a Net Result of \$0.327 million, which was \$0.052 million favourable to budget.

Table 4: Operating result 2020–21

	\$'000
Expenses	28,644
Revenue	28,971
Net Result	327

Table 5: Financial position 2020–21

	\$'000
Assets	17,255
Liabilities	16,483
Net Assets	772

Revenue

The main sources of revenue were recurrent allocations (\$27.371 million or 97%) and capital appropriation received was \$0.880 million compared to the previous year of \$0.8 million.

Expenses

Total expenses were \$28.644 million, representing an increase of \$0.668 million or 2.4% from the previous year.

Employee-related expenses were \$19.415 million, an increase of \$0.225 million or 1.2% compared to the previous year.

Other operating expenses were \$1.433 million (33%), higher than the previous year primarily due to increased insurance premiums of \$0.93 million and legal and transcript expenditure of \$0.455 million. Depreciation and amortisation expenses were, however, significantly lower by \$0.891 million or 21.8% being building depreciation and right of use asset reductions.

Assets

Total assets decreased by \$0.655 million (3.6%), due largely to the reduced amount recognised under AASB 16 *Leases* accounting standard for recognising right of use asset. It follows the exercise by the Commission of its first option to extend its lease by a further three years.

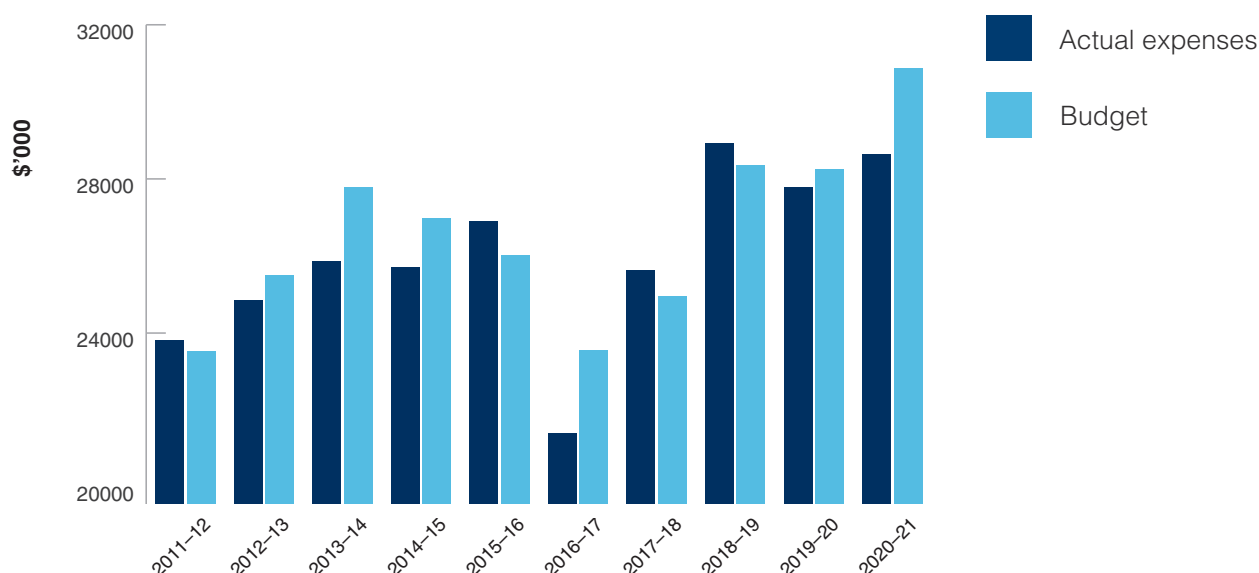
Liabilities

Total liabilities decreased by \$0.982 million (5.6%), largely due to revised lease liabilities following the exercise of the first three-year extension option under the existing office accommodation lease.

Net Equity

The Commission's equity increased by \$0.327 million to \$0.772 million.

Figure 1: Total expenditure budget and actuals



Chapter 2: Assessing matters

Performance in 2020–21	18
Profile of matters received.....	19
Anonymous complaints	20
Complaints from the public	21
Public interest disclosures	23
Reports from public authorities and ministers.....	24
The assessment process	26

All complaints and reports within the Commission's jurisdiction are reported to the Assessment Panel, which is made up of the Commissioners and members of the Commission's senior executive. The panel's role is to make decisions about how each matter should proceed. A matter is not reported to the Assessment Panel if it is assessed as being a query only, is outside the Commission's jurisdiction or simply considered feedback. Such matters are managed within the Commission's Assessments Section.

The Commission can also take action on an "own initiative" basis. In these situations, the Assessment Panel considers recommendations from an internally generated report outlining reasons for commencing an investigation. These reports may be based on information from various sources, including information that is in the public domain or that emerges from the analysis of complaints received from the public or via reports from NSW public authorities.

Performance in 2020–21

In 2020–21, the Commission received and managed a total of 2,916 matters compared with 2,416 received in the previous year. In the reporting period, the average time taken to assess and close a matter was 32 days, as compared with the previous year's average of 28 days. While the number of matters received by the Commission increased by 21%, the average time taken to assess and close those matters increased by only 14%; an average time that remains within the Commission's target of 68 days.

Achieving turnaround targets

The Assessments Section has targets for turnaround times at key stages during the complaint assessment process. Table 6 provides a number of these targets and achievements during the reporting period.

Table 6: Some internal targets and achievements of the Assessments Section in 2020–21

Measure	Target	Achievement
Average days to present a "straightforward" matter to the Assessment Panel	28	15
Average days to present a "complex" matter to the Assessment Panel	42	32
Average days to review an s 54 report from a public authority and report a matter back to the Assessment Panel	42	21

Table 7: Matters received by category in 2020–21, compared to the previous two years

Category	2020–21		2019–20		2018–19	
Complaint (s 10)	1,500	51%	1,037	43%	1,220	44%
Report (s 11)	726	25%	728	30%	789	29%
Query	359	12%	353	15%	431	16%
Outside jurisdiction	222	8%	189	8%	235	9%
Feedback	74	3%	79	3%	47	2%
Referrals (s 16(1))	22	1%	12	< 1%	9	< 1%
Own initiative (s 20)	13	< 1%	18	< 1%	12	< 1%
Referral (s 73)	0	0%	0	0%	0	0%
Referral (s 13A)	0	0%	0	0%	0	0%
Total	2,916		2,416		2,743	

Profile of matters received

In the reporting period, the majority of the 2,916 matters that were received and assessed by the Commission came from two sources:

- people making complaints under s 10 of the ICAC Act (s 10 complaints), representing 51% of all matters
- principal officers of NSW public sector authorities and ministers, who each have a duty to report suspected corrupt conduct under s 11 of the ICAC Act (s 11 reports), representing 25% of all matters.

Table 7 shows all matters received in 2020–21 by category, compared with the previous two years.

The most significant change between 2019–20 and 2020–21 is the increase in the number of s 10 complaints received. In 2020–21, the Commission received 1,500 s 10 complaints compared with 1,037 in the previous financial year (a 45% increase). This was partly attributable to two issues that attracted significant interest on social media platforms, which led to the Commission receiving

over 300 complaints from members of the public in the current reporting period. This is the first time in the Commission's history that social media has been a driver for such a significant number of s 10 complaints about particular topics.

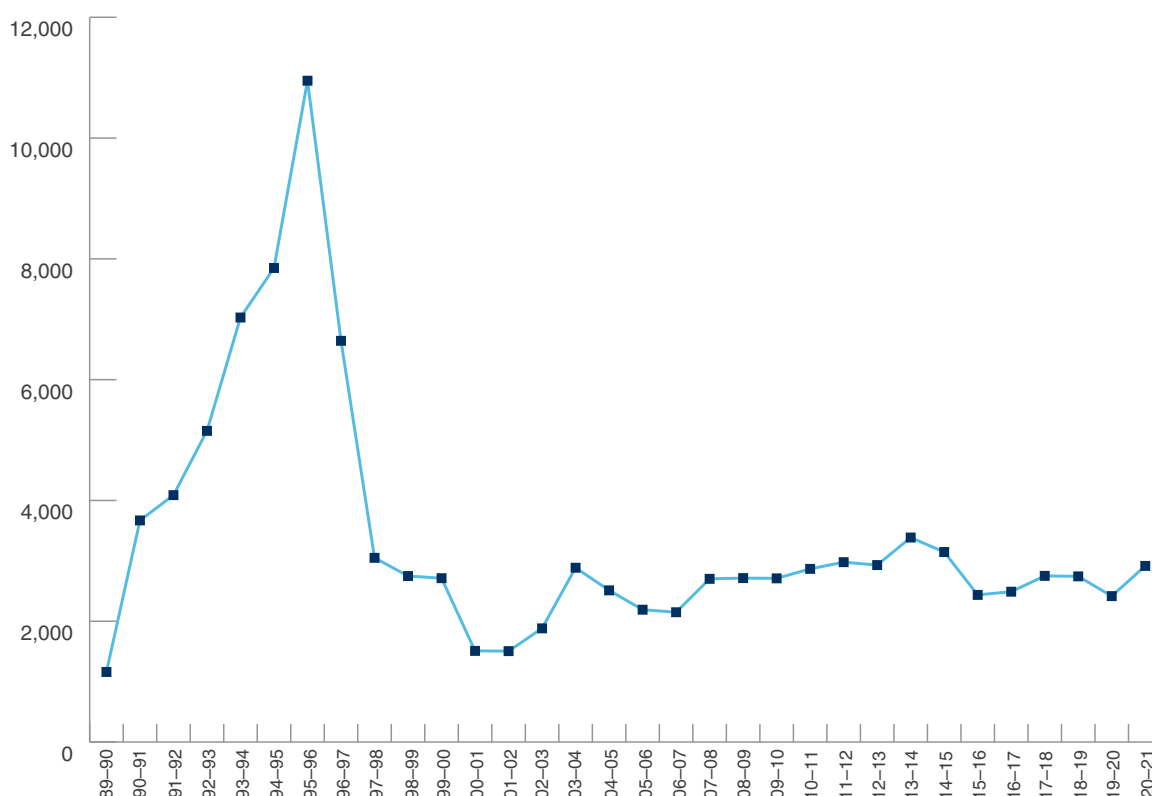
The Commission also observed that the number of s 11 reports received in 2020–21 was relatively consistent with the number received in the previous financial year (726 in 2020–21 and 728 in 2019–20).

Figure 2 provides an overview of matters received since the Commission was established. The total number of matters received by the Commission in 2020–21 is the highest received since 2014–15.

The Commission strives to be accessible to those who submit complaints and reports. It provides a number of methods for members of the public and public sector employees to contact the Commission, including in writing, by telephone or email, or online from the Commission's website at www.icac.nsw.gov.au.

In 2020–21, the methods used most frequently by individuals to contact the Commission were the ICAC website (41%), email (29%) and schedule (14%), as

Figure 2: Number of new matters received by financial year



Note: In 1997, the NSW Police Integrity Commission was established and assumed responsibility for investigating allegations of police corruption.

Jobs for mates

In 2021, the Commission received an anonymous complaint alleging that a senior official, employed by a NSW public authority, favoured their friend of over 20 years in the recruitment for a vacant position.

Specifically, the complainant alleged that the senior official pressured two of their staff to reach out to the senior official's friend for the position. The staff used a labour-hire company to engage the senior official's friend, which the public authority's policies permit for direct appointments. The complainant stated that job candidates are told to register with the labour-hire company so that officials may directly appoint them to vacant positions without a competitive recruitment process. The complainant alleged that, in this case, no comparable candidates were explored by the senior official's staff when appointing the senior official's friend.

As the complaint was made anonymously, the Commission was not able to obtain further details concerning the allegations. However, the Commission noted that online social media confirmed that the senior official and the person appointed to the role were employed by the same companies, in the same fields, at the same time, and that the two individuals had a social association.

Having regard to the seniority of the public official, and the apparent relationship between the senior official and the person appointed to the position, the Commission made enquiries with the public authority.

The public authority confirmed that the candidate was appointed to a temporary position for a specific project. As this was from a labour-hire company, there was no requirement for other candidates to be considered. The agreement between the labour-hire company and the public authority also permits candidates to be directly appointed to positions. The senior official declared a conflict of interest in relation to their relationship with the candidate. Further, the senior official was excluded from the interview process and decision to appoint the candidate. The public authority implemented a management strategy to ensure the conflict was appropriately managed for the duration of the appointment. The public authority provided the Commission with documentation confirming these matters.

Despite initial concerns about the process, the Commission noted that, in this case, the recruitment appeared to be consistent with the public authority's processes and the senior official's association with the candidate was managed. Without further details of the alleged pressure that the senior official may have exerted on two of the three officials who considered the candidate, the Commission decided not to investigate the complaint further.

shown in Table 8. The overall increased use of the Commission's website in 2020–21 as compared with 2019–20 (26%) is a reflection of the higher number of s 10 complaints received in 2020–21 and that the ICAC website is the preferred method of contact by individuals making those s 10 complaints (77% of s 10 complaints were made using the ICAC website).

As a precautionary measure due to the COVID-19 pandemic, the Commission's offices were closed between July 2020 and February 2021 inclusive. During this time, individuals could not contact the Commission by telephone or in person. It is likely that this contributed to the drop in the proportion of matters received by telephone; from 20% in 2019–20 to 10% in 2020–21.

Table 8: Methods of initial contact for all matters received in 2020–21

Method	Number of matters received	% of matters received
ICAC website	1,202	41%
Email	850	29%
Schedule	399	14%
Telephone	290	10%
Letter	153	5%
Other	21	< 1%
Visit	1	< 1%

Anonymous complaints

The Commission accepts anonymous complaints. The Commission appreciates that there are a range of reasons why people may choose to make a complaint without providing information that could be used to identify them. People are fearful of reprisal action and prefer to remain anonymous. In some circumstances, people may not see the value in providing their details, particularly when drawing an issue that is in the public domain to the Commission's attention. It is also possible that some people may value their privacy when interacting with government. Regardless of their motivations, the Commission treats all matters it receives, including anonymous complaints, seriously.

Where people contacting the Commission by telephone wish to remain anonymous, the Commission provides advice about the various protections afforded under the ICAC Act and/

or the *Public Interest Disclosures Act 1994* (“the PID Act”). That information is also available on the Commission’s website.

In 2020–21, 30% of complaints from people (452 matters) were made anonymously. The proportion of anonymous complaints increased since 2019–20 (in which 245 matters or 24% of matters were anonymous). Of those anonymous complaints, 38 (8%) were classified as public interest disclosures (PIDs). Compared with the previous financial year, a greater number and proportion of anonymous complaints received by the Commission in 2020–21 were from members of the public.

There are some challenges in receiving and assessing anonymous complaints. For instance, the Commission is unable to clarify the particulars of the information and notify the complainant of the outcome. Where a matter has been classified as a PID, there is the added risk that any enquiries or action taken by the Commission may inadvertently reveal the identity of the person who made the PID. To mitigate such risks, where a PID is made anonymously, any action such as the making of assessment enquiries or conducting a preliminary investigation will occur only with the approval of the Chief Commissioner or a Commissioner. In deciding whether to approve such actions, the Commission weighs the risks of exposing the discloser’s identity against the public interest in having the allegations further explored.

Complaints from the public

Under s 10 of the ICAC Act, any person may make a complaint to the Commission about a matter that concerns or may concern corrupt conduct as defined in the ICAC Act. Complaints made by employees and contractors of NSW public authorities that meet the criteria set out in the PID Act are also classified as s 10 complaints.

Many matters reported to the Commission by people are not made the subject of a formal Commission investigation, either because the matters raised are speculative or because the Commission takes the view that there is no real likelihood that corrupt conduct has occurred. Further, the Commission is required under its legislation to focus its attention on serious corrupt conduct and systemic corrupt conduct.

The Commission may refer allegations to a NSW public authority that is the subject of a complaint for its information, often for the authority to address a perception on the part of the complainant of unfairness or wrongdoing. Perceptions of

wrongdoing are often borne, in the Commission’s experience, of poor communication or consultation, or a lack of consistency or transparency on the part of public authorities. Such a referral also allows the public authority to conduct its own enquiries and report back to the Commission in the event that it finds any evidence indicative of corrupt conduct.

Nevertheless, the Commission carefully considers all complaints it receives. The case study on page 20 highlights the enquiries the Commission made in order to determine whether the Commission would investigate an anonymous complaint.

Table 9 shows the different government sectors about which allegations of corrupt conduct were made in complaints under s 10 in 2020–21.

Table 9: Complaints from people in 2020–21, showing allegations in the top five government sectors

Sector	Section 10 complaints	% s 10 complaints
Local government	607	40%
Government and financial services	343	23%
Policing	196	13%
Health	122	8%
Transport, ports and waterways	66	4%

As in previous years, the sector most frequently complained about in 2020–21 was local government, with s 10 complaints relating to this sector accounting for 40% of the total volume received (the same proportion as 2019–20). The Commission notes, however, the large number of local councils in NSW, and that over-representation of local government in the complaints statistics may be due to the high level of people’s interaction with local government and the personal interest many take in the decisions of their local council.

The most significant change between 2019–20 and 2020–21 was the increase in complaints that made allegations involving both NSW public officials and the NSW Police. The Commission has arrangements in place to work closely with the Law Enforcement Conduct Commission. The Commission refers complaints involving the conduct of NSW Police officers to the Law Enforcement Conduct Commission, consistent with that arrangement and as required by the *Law Enforcement Conduct Commission Act 2016*.

Alleged abuse of working-from-home arrangements

In 2020, the Commission received a public interest disclosure from a public official alleging that public officials employed by a council were misrepresenting the amount of time they were working while at home before and during the COVID-19 pandemic.

Specifically, the public official alleged that employee A deliberately exaggerated their hours worked in order to accrue additional flex time. The public official stated that, when at the office, employee B recorded the time they commenced work as when they arrived at the workplace, even though employee B then proceeded to shower and change after cycling to the workplace. The public official also referred to employee A's, B's and C's inability to log into council's IT systems remotely when the COVID-19 working-from-home (WFH) arrangement commenced, and alleged that those employees could not have been WFH prior to the pandemic as they claimed.

The public official observed that, while they sent emails to their colleagues WFH during the pandemic, those colleagues would only respond to the public official verbally when in the office together.

In addition, the public official stated that, while assisting employee D to retrieve documents from employee D's office computer, the public official discovered that employee D had not logged into council's IT systems remotely for the previous 10 days while the WFH arrangements were in place.

On careful analysis of the available information, the Commission observed that, without details of employee A's and employee B's alleged exaggerations, there was insufficient information available to suggest a likelihood that either official had been misleading council in order to obtain a personal benefit.

The Commission considered that, while employee A, employee B and employee C may have all had difficulties in logging into council's IT systems remotely on a single day, this does not suggest they misled council and had not been WFH as claimed. Similarly, while the public officials' colleagues may not have responded to their emails while WFH, this does not necessarily suggest that those officials were not working.

Lastly, even if employee D had not logged into council's IT systems remotely for the previous 10 days, this does not of itself suggest that employee D misrepresented the time they were WFH.

For this reason, the Commission did not investigate the matter; however, the Commission noted that the public official could raise their concerns with their manager or council's public interest disclosures coordinator.

The five most frequent workplace functions about which the Commission received complaints from the public, as well as the five most frequent types of corrupt conduct alleged, are shown in tables 10 and 11 respectively.

Table 10: Complaints from people in 2020–21, showing the five most frequent types of workplace functions mentioned

Workplace function	Section 10 complaints	% of s 10 complaints
Allocation of funds, materials and services	553	37%
Reporting, investigation, sentencing and enforcement	517	34%
Human resource and staff administration	287	19%
Development applications and land rezoning	233	16%
Procurement, disposal and partnerships	174	12%

Note: While the order of the top two workplace functions has changed, the top five workplace functions mentioned in s 10 complaints are consistent with those reported in 2019–20. In the top two workplace functions, there was an increase in the proportion of s 10 complaints concerning the "Allocation of funds, materials and services" in 2020–21 (37%), as compared with the previous year (25%). "Reporting, investigation, sentencing and enforcement" also saw an increase in the proportion of s 10 complaints; from 30% in 2019–20 to 34% in 2020–21.

Table 11: Complaints from people in 2020–21, showing the five most frequent types of corrupt conduct alleged

Types of corrupt conduct	Section 10 complaints	% of s 10 complaints
Partiality	561	37%
Personal interests	555	37%
Improper use or acquisition of funds or resources	499	33%
Corrupt conduct related to investigations or proceedings	447	30%
Improper use of records or information	382	25%

Until now, the proportion of complaints alleging “Improper use of records or information” had been increasing (19% in 2017–18, 27% in 2018–19, then 34% in 2019–20), but this trend was reversed in 2020–21 to 25%. In 2020–21, “Partiality” remains the most common type of corrupt conduct alleged, as compared with the previous financial year; although it has declined as a proportion of s 10 complaints (37% in 2020–21 compared with 48% in 2019–20).

Appendix 1 provides a full breakdown of the workplace functions and types of conduct about which the Commission received s 10 complaints.

Public interest disclosures

NSW public sector employees or contractors who report allegations of corrupt conduct about a NSW public sector authority or official may, provided they meet certain criteria, be entitled to protection under the PID Act. Under the PID Act, it is an offence to take reprisal action against someone because that person has made a PID or is believed to have made a PID.

In 2020–21, the Commission classified 834 matters as meeting the criteria in the PID Act. Of these, 153 were complaints under s 10 of the ICAC Act, 679 reports under s 11 of the ICAC Act, and two were referrals under s 16(1) of the ICAC Act.

During the reporting period, 816 PIDs were finalised that related to corrupt conduct. Where appropriate, under s 25 of the PID Act, the Commission refers any misdirected PIDs to the relevant investigating authority.

Table 12 shows the number of allegations in the top five categories by government sector for PIDs received during the year. While there has been some movement among the top five, the five most common government sectors in PIDs remain consistent with 2019–20. “Health” remains the most common sector to feature in allegations made in PIDs, while “Custodial services” became the second most common, replacing “Local government”, which is now the third most common sector.

Table 12: PID allegations by government sector in 2020–21

Sector	PIDs	% of PIDs
Health	196	24%
Custodial services	185	22%
Local government	174	21%
Education (except universities)	106	13%
Transport, ports and waterways	49	6%

Table 13: Types of conduct reported as PIDs in 2020–21

Types of conduct reported as PIDs	Number reported	% reported
Improper use of records or information	375	45%
Personal interests	337	40%
Improper use or acquisition of funds or resources	320	38%
Partiality	241	29%
Intimidating or violent conduct	86	10%

Note: In 2020–21, “Personal interests” became the second highest type of conduct alleged in PIDs, replacing “Improper use or acquisition of funds or resources”, which became the third highest. The five main types of conduct featuring in PIDs otherwise remained consistent in 2020–21 when compared with the previous reporting period.

Where the Commission intends to make enquiries about matters raised in a PID, the Commission will generally do so without revealing information that would disclose, or tend to disclose, the identity of the person who made the PID. If the Commission’s enquiries could reveal the identity of the person who made the PID, the Commission seeks written authority from the complainant for his or her identity to be disclosed. When consent is not given, the Commission may, under s 22 of the PID Act, disclose confidential information if it is considered necessary to investigate a matter effectively or if it is in the public interest to do so. This will occur only with the approval of the Chief Commissioner or a Commissioner.

PIDs are received by the Commission from all levels of the NSW public sector. According to the provisions of the PID Act, both the public authority and the officer making the complaint, are responsible for ensuring that confidentiality is maintained.

Accessing COVID-19 patient test results

In 2020, the Commission received a report from a NSW public authority alleging that two public officials, who perform health-related services, improperly searched, accessed and disclosed the COVID-19 status of a patient without the need to do so.

The public authority advised that it conducted an investigation and found the allegations were substantiated.

One official was issued with a formal first and final warning, and the other official was issued with a warning. The public authority included records of these actions in the officials' permanent personnel records.

The public authority advised that it would report this matter to its audit and risk committee, and an internal incident management group. The public authority also noted that it had taken organisation-wide steps to manage these risks, appointing a privacy and records officer to coordinate a range of activities. These activities include general privacy reminders to staff, supporting senior managers around privacy issues, privacy awareness-raising, and incorporating privacy considerations in the design of new systems.

Having regard to the action taken, the Commission determined not to conduct its own investigation into these issues.

PIDs have significant value to the Commission's work and minimising corruption more generally. Even if the allegations made are not substantiated, they may highlight system or process deficiencies, which the public authority concerned can address. Where this occurs, it can minimise corruption risks and eliminate perceptions of corruption.

The case study on page 22 is an example of a PID that was made to the Commission and the perception held by an official of wrongdoing by their colleagues during the COVID-19 pandemic.

Figure 3 shows the five most frequent workplace functions reported in PIDs to the Commission, as a proportion of all PIDs received. "Human resource and staff administration" remained the most common workplace function to feature in PIDs, comprising nearly half of all PIDs received (48% in 2020–21, similar to 50% in 2019–20 and 49% in 2018–19). The next most common was "Allocation of funds, materials and services" with 31% (relatively consistent with 32% in the previous year). "Reporting, investigation, sentencing and enforcement" was the third most frequent workplace function reported, making up 18% of PIDs in 2020–21 (down from 21% in the previous year). "Procurement, disposal and partnerships" and "Miscellaneous functions" accounted for 14% and 10% of PIDs, respectively.

Appendix 2 provides further information on PIDs made by public officials and the types of allegations made in PIDs.

The Commission has a policy on its intranet site relating to PIDs by its staff, and has a number of links on its website relating to such disclosures and the protections afforded to public officials under the PID Act. This information is provided to new Commission staff during their induction phase.

Reports from public authorities and ministers

Section 11 of the ICAC Act requires principal officers of NSW public authorities to report matters to the Commission where they hold a reasonable suspicion that corrupt conduct has occurred or may occur. Principal officers include secretaries and chief executives of state government agencies, and general managers of local councils. NSW ministers have a duty to report suspected corrupt conduct either to the Commission or to the head of an authority responsible to the minister.

Principal officers and ministers are encouraged to report suspicions of corrupt conduct promptly, as delays can impair the Commission's ability to detect and expose corrupt activity. A prompt report means that witnesses' recollections are fresh and there is less likelihood of evidence being compromised or lost.

When assessing an s 11 report, it assists the Commission for the head of an authority to advise on a proposed course of action, in the event that the Commission determines not to take action itself. In many instances, even if the matter is not sufficiently serious for the Commission to conduct an investigation, the Commission will ask the public authority to advise it of any disciplinary or remedial outcomes. Such information can inform trend analysis and the Commission's corruption prevention work generally, as well as enable the Commission to track disciplinary outcomes in relation to individual public sector employees.

The case study on page 24 is an example of a matter where the principal officer of a public authority reported a matter under s 11 and the steps the public authority took in response to the issue.

Table 14 shows the number of reports that include allegations concerning a particular sector. The Commission observed a slight increase in the proportion of s 11 reports involving the "Health" sector (24% in 2020–21 compared with 23% in 2019–20), which was the most frequently reported sector in the previous financial year. However, the

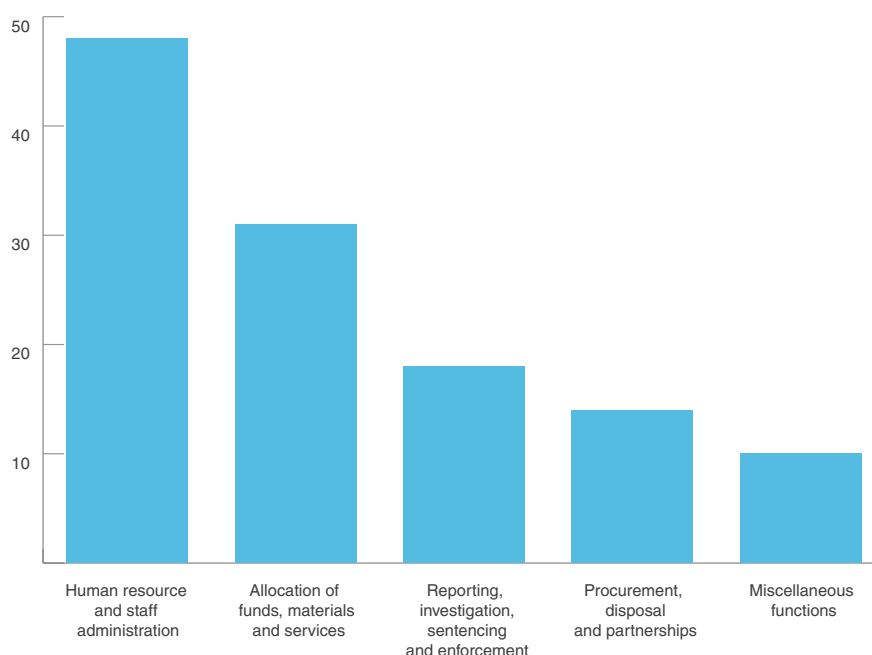
more significant increase in s 11 reports relating to "Custodial services" (from 18% in 2019–20 to 26% in 2020–21) resulted in "Custodial services" being the most frequently reported sector this financial year. The proportion of s 11 reports relating to "Local Government" and "Education (except universities)" was relatively consistent between 2019–20 and 2020–21 (20% and 19%, and 12% and 13%, respectively). While there was a decline in the proportion of s 11 reports relating to "Transport, ports and waterways" in 2020–21 compared with 2019–20 (6% down from 12%), this sector remains the fifth most reported.

Table 14: Section 11 reports received in 2020–21, showing the five most frequently reported government sectors

Sector	Section 11 reports	% of s 11 reports
Custodial services	190	26%
Health	172	24%
Local government	138	19%
Education (except universities)	97	13%
Transport, ports and waterways	42	6%

Figure 4 shows the five most common workplace functions involved in the s 11 reports received by

Figure 3: Top five most frequent workplace functions reported in PIDs (%)



the Commission in 2020–21. The most common workplace function was “Human resource and staff administration”, comprising 46% of s 11 reports received (relatively consistent with 48% in 2019–20 and 45% in 2018–19). This was followed by “Allocation of funds, materials and services” (30%), “Reporting, investigation, sentencing and enforcement” (17%), “Procurement, disposal and partnerships” (12%) and “Miscellaneous functions” (12%).

Figure 5 shows the five most frequent types of corrupt conduct alleged in s 11 reports received by the Commission. “Improper use of records or information” remains the most frequently reported, comprising 47% of s 11 reports in 2020–21 (also 47% in 2019–20 and 45% in 2018–19). It was followed by “Improper use or acquisition of funds or resources” at 37% (41% in 2019–20) and “Personal interests” at 36% (also 36% in 2019–20). “Partiality” and “Intimidating or violent conduct” made up 23% and 11% respectively of s 11 reports received in 2020–21.

Appendix 1 provides a full list of the workplace functions and types of conduct about which the Commission received s 11 reports.

The assessment process

The Commission’s Assessments Section is responsible for conducting the initial assessment of a complaint or information to determine what action, if any, the Commission will take.

Staff analyse all matters received, taking into account:

- whether or not corrupt conduct is likely to be involved
- whether the matter is serious and/or systemic, including factors such as the seniority of public officials involved, the nature of the impugned conduct, whether it is isolated or widespread, and the potential monetary value
- whether there is a viable line of enquiry to pursue
- what information has been provided or could be obtained
- whether existing information supports the allegations
- any risks to persons or public money in the Commission acting or not acting
- any prior or current related matters.

Staff also consider whether there are trends across a particular sector or within a particular public

authority. Consideration is also given to whether there are appropriate systems in place for the public authority involved to minimise opportunities for corruption. Complaints and reports that highlight corruption risk areas and trends are drawn to the attention of the Corruption Prevention Division to enable the Commission to target its work in this area (see Chapter 4).

All matters that concern or may concern corrupt conduct are decided by the Commission’s Assessment Panel. The Assessment Panel comprises the manager of the Assessments Section (who acts as the panel convenor), the Chief Commissioner, the Commissioners, the Chief Executive Officer, and the executive directors of the Commission’s Investigation Division, Legal Division and Corruption Prevention Division.

The panel is governed by a charter, which provides that it meets electronically twice a week, and is responsible for determining what action, if any, should be taken on every matter received. If a matter is complex or needs further enquiries before an appropriate course of action can be determined, it may be reported to the Assessment Panel on several occasions.

Reports submitted to the Assessment Panel include the allegations, supporting information, the outcome of any enquiries, an assessment of the matter, and recommendations for further action.

For each matter, the Assessment Panel considers whether it presents opportunities for identifying serious corrupt conduct and systemic corrupt conduct, whether it is being (or could be) adequately handled by another public authority and, even if corrupt conduct is not apparent, whether a public authority’s systems and controls put the agency at risk of corruption. After considering a matter, the Assessment Panel makes one of four decisions, as follows.

1. Close the matter without referral

Some of the allegations that the Commission receives may not be suitable for investigation by the Commission, even if true, because they are relatively minor. Under s 12A of the ICAC Act, the Commission is required to focus its attention and resources on serious corrupt conduct and systemic corrupt conduct, as far as practicable. In addition, a large number of complaints that the Commission receives are speculative in nature or lack specific information tending to disclose a likelihood that corrupt conduct has occurred. These matters are usually closed.

Figure 4: Top five most common workplace functions reported in s 11 reports (%)

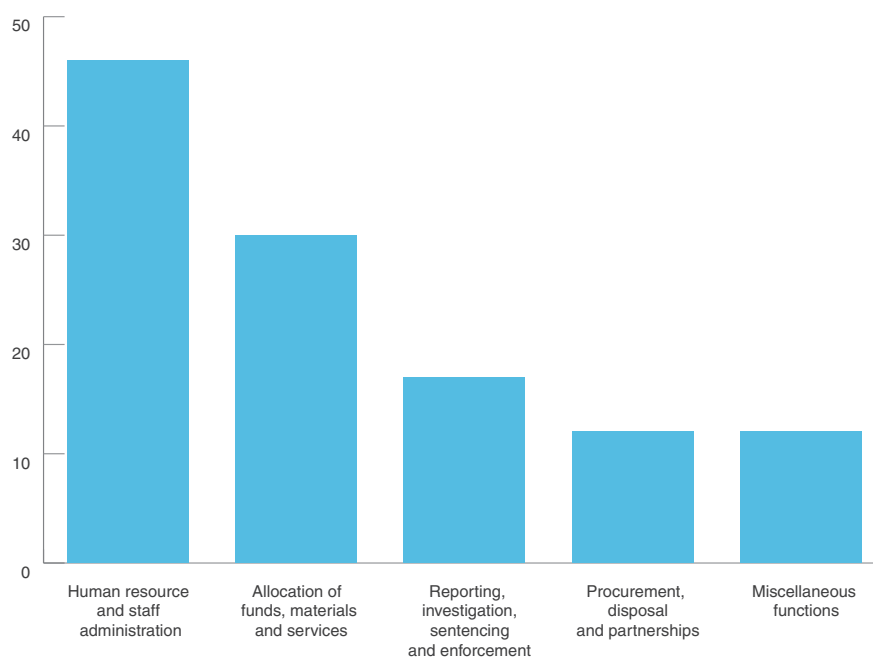
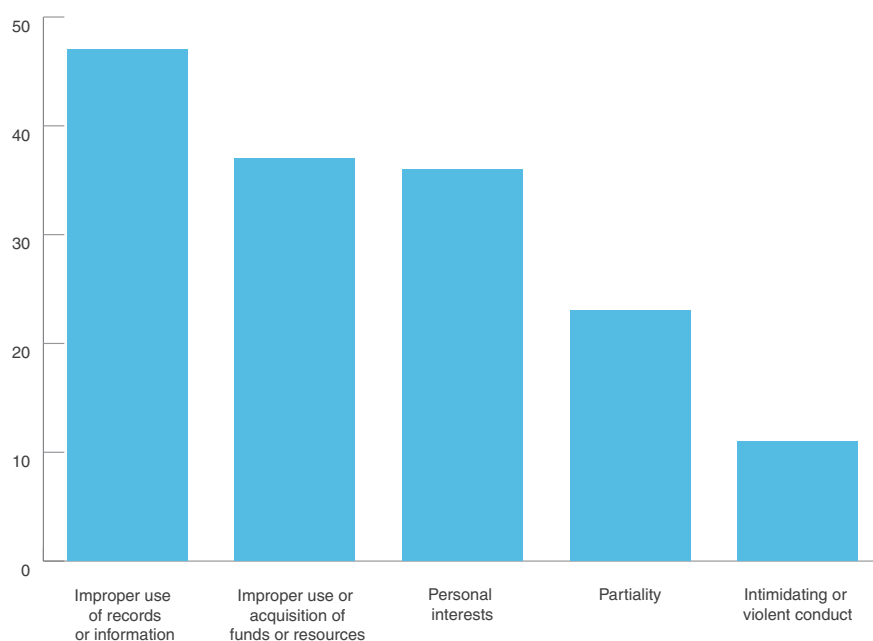


Figure 5: Top five most frequent types of corrupt conduct in s 11 reports (%)



Favouring suppliers or poor procurement practices?

In 2019, the Commission received a report from a NSW public authority alleging two public officials were suspected of favouring two property maintenance service providers, company A and company B. The public authority reported that the two officials allegedly received gifts and entertainment from the providers as an inducement to use their services, and that one official allegedly had a personal relationship with the two providers.

The allegations were serious, having regard to the seniority of the public officials, and the millions of dollars of public funds spent engaging the providers. However, as the Commission's investigative powers were not required to properly consider this matter, the Commission referred the allegations back to the public authority for investigation and to report back to the Commission under s 53 and s 54 of the ICAC Act.

The investigation found insufficient evidence to indicate that either official engaged in corrupt conduct. While the investigation revealed that one of the officials engaged the providers in the official's previous employment, the evidence only suggested that the relationship between the providers and the official was professional and not personal. However, no record of any conflict of interest declaration by the official was able to be located. The investigation found no evidence of collusion between the providers and either official to award those providers contracts. The investigation also found no evidence of the officials inappropriately receiving gifts from the providers; although one of the officials attended an end-of-year lunch hosted by one of the providers.

The investigation identified various risks associated with the procurement of the providers' services. No record was located of any due diligence conducted before the providers were engaged or in the course of the engagements. The rationale used to support the engagements of company A, as opposed to other service providers, was not well articulated. There was no formal process to review ongoing performance of the providers or test the market for new suppliers. Further, invoices were issued by company A that predated the related purchase order, and there was generally poor record-keeping of quotes and correspondence between company A and the public authority.

In order to reduce the risk of recurrence, the public authority advised that it is transitioning to a new procurement and contract management framework. In addition, the public authority planned to establish a new panel for property maintenance services, via formal tender process and to be managed centrally within the public authority.

As a result of the investigation, the officials were found to have engaged in misconduct for not consistently following procurement guidelines and another unrelated issue. The more senior official's employment was terminated and the more junior official received a formal warning. Having regard to the circumstances, the Commission decided to take no investigative action in this matter.

Many complainants who report matters to the Commission have expectations that their concerns will be investigated by the Commission, and managing those expectations is a key part of its role. When the Commission decides not to investigate a matter, staff explain to the complainant the reason or reasons for this decision.

In 2020–21, the Assessment Panel made 1,856 (83%) decisions to close matters and take no further action. This is higher than in the previous year, where the Commission decided to close 79% of matters and take no further action (1,494 decisions).

2. Close the matter and refer externally

A number of the matters the Commission receives can be appropriately referred to other oversight bodies, such as the NSW Ombudsman. In addition, the Commission may appropriately refer some disciplinary or administrative matters to the public authority concerned.

In 2020–21, 218 matters (10%) were referred on this basis. While more matters were closed and referred in 2020–21 as compared with the previous financial year (182 matters), the proportion of Assessment Panel decisions to refer matters remained constant.

3. Refer the matter internally but not investigate

In 2020–21, the Assessment Panel made 156 (7%) decisions to carry out further work internally, in order to obtain additional information and assist its assessment of a matter. Specifically, the Commission can undertake assessment enquiries in a matter. Alternatively, it may request that a relevant public authority provide a copy of its report on a matter or require an authority to conduct an investigation and report its findings to the Commission. In addition, the Commission's Corruption Prevention Division may review the matter.

If the Commission decides that there is insufficient information to determine an appropriate course of action, assessment enquiries – usually with the public authority that is the subject of the allegations – will be conducted by the Commission and the matter re-reported to the Assessment Panel. Assessment enquiries may involve contacting parties for more information, carrying out research, and obtaining and considering relevant policy and/or procedural documents to determine whether there are procedural deficiencies.

Where enquiries have been conducted and the Commission determines not to pursue the matter further, the material obtained can enable the

Commission to provide more detailed reasons to complainants as to why a matter is not being pursued.

In 2020–21, there were 59 decisions by the Commission to conduct assessment enquiries, which is a decrease from the figure of 87 reported in 2019–20.

Where an authority reported a matter under s 11 and has commenced an investigation or is preparing to embark on one, the Commission may request a copy of the report to inform the Commission's assessment. In the reporting period, the Commission made 33 requests for investigation reports from agencies, which is a drop from the 49 reported in the previous year.

Alternatively, under s 53 and s 54 of the ICAC Act, the Commission has the power to require that a public authority or an appropriate oversight body conduct an investigation and report its findings to the Commission. This power is usually reserved for relatively serious matters and allows the Commission to oversee the investigation, including reviewing the investigation plan and progress reports. The Commission can determine the scope of the investigation and, in consultation with the authority, will agree on a timeframe for its completion.

The Commission refers matters under s 53 and s 54 only if it considers that the public authority will, following consultation with the public authority, be able to investigate the matter. The Commission will not make a referral if it considers the public authority might be compromised or lacks the capacity to conduct the investigation and adequately report on it. Under the ICAC Act, the Commission has powers to deal with investigations or reports by a public authority that it considers unsatisfactory.

In 2020–21, four matters were the subject of referrals under s 53 and s 54 of the ICAC Act. This is a decrease on the number of referrals made in 2019–20 (13 referrals).

The Assessment Panel reviews the outcomes of matters referred to public authorities under s 53 and s 54 of the ICAC Act.

The case study on page 28 is an example of a referral under s 53 and s 54 to a NSW public authority to conduct an investigation into allegations of corrupt conduct. In the course of its investigation, the public authority also considered and addressed systemic issues to reduce the risk of the conduct occurring again.

If a matter appears to involve mainly systemic issues, rather than specific instances of corrupt conduct or the corrupt conduct has been dealt with but wider problems appear to exist, the Commission may evaluate the situation and give advice to the public authority concerned. This may involve advice on enhancing a public authority's capacity to minimise the risk of corruption, and on how to prevent the problem from happening again.

The Commission provides advice of this nature in the course of its interactions with public authorities, where systemic issues are identified. However, the Assessment Panel may also decide to refer matters to corruption prevention officers for more detailed analysis and/or advice. In 2020–21, there was one matter referred by the Assessment Panel to corruption prevention officers, which is a decrease on the five matters referred in 2019–20.

4. Undertake an investigation

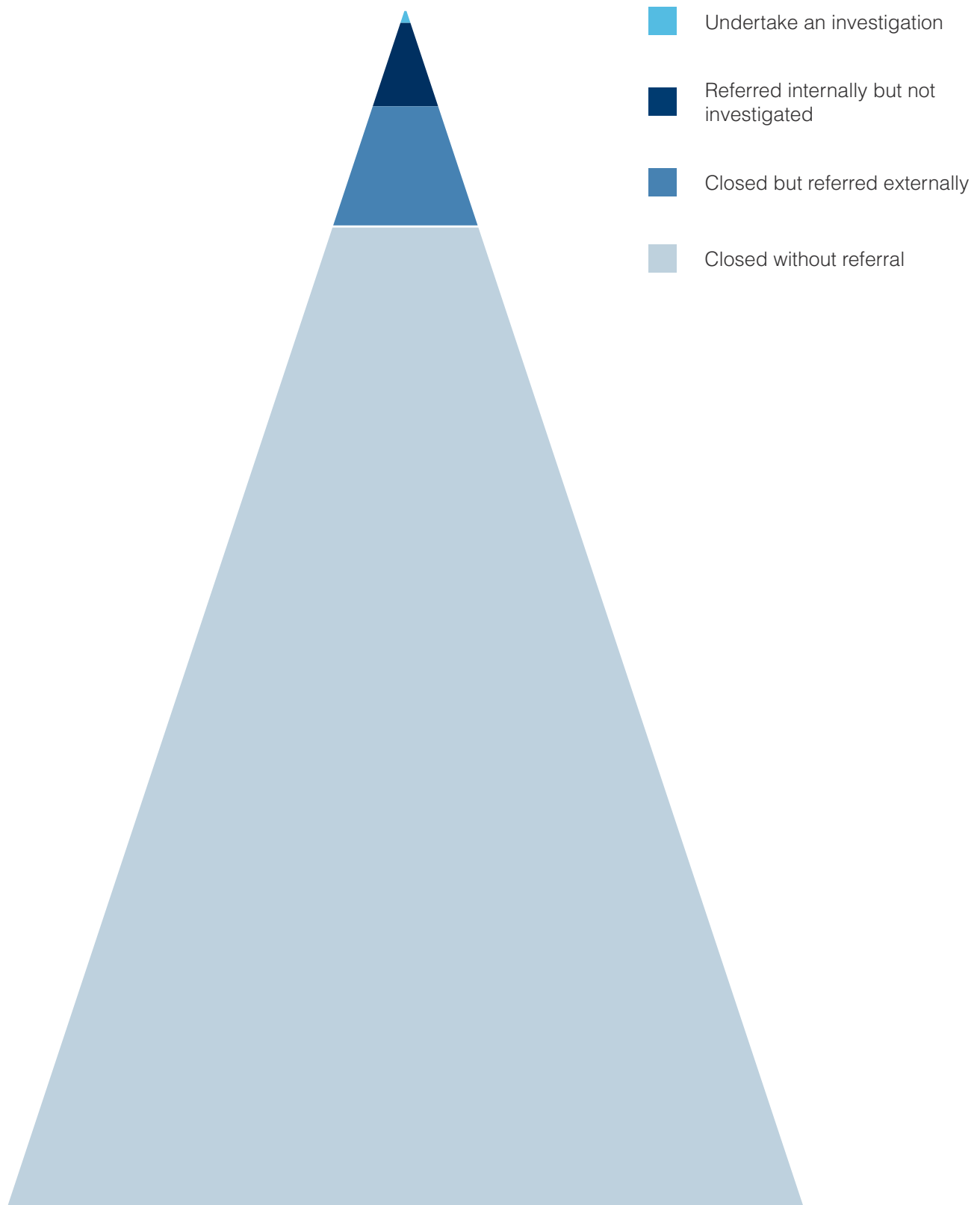
If a matter is serious and likely to need the Commission's special powers to investigate, such as requiring the production of documents or information, executing a search warrant or conducting covert operations, the Commission will usually investigate the matter itself (see Chapter 3). These matters are referred to the Investigation Division for preliminary investigation.

Only a small number of matters with the potential to expose serious corrupt conduct and systemic corrupt conduct will meet the criteria for a full investigation. Once a decision to investigate has been made, the matter is overseen by the Investigation Management Group, which also gives direction on each investigation.

In 2020–21, 18 matters (less than 1%) were referred to the Investigation Division for preliminary investigation, which is relatively consistent with the 19 matters (1%) referred in the previous year.

Decisions made by the Assessment Panel in 2020–21 are shown in Figure 6.

Figure 6: Decisions made by the Assessment Panel in 2020–21



Chapter 3: Investigating corruption

Significant issues impacting investigations in 2020–21	32
Strategic Intelligence and Research Unit.....	33
How we investigate	34
Our investigations.....	34
Use of statutory powers	37
Public inquiries and compulsory examinations.....	37
Investigation outcomes	37
Witness cooperation policy	37
Proceeds of crime	38
Referrals and other disseminations.....	38
Improving investigative practices	39

A principal function of the Commission is to investigate and publicly expose serious and systemic corruption with a view to educating public authorities, officials and the public and to reducing corruption in the NSW public sector. The Commission deploys overt and covert investigation techniques to detect corruption and uses coercive powers available to the Commission under the ICAC Act and other Acts.

The Commission also has the function of investigating matters referred to it by the NSW Electoral Commission under s 13A of the ICAC Act that may involve possible criminal offences under the *Electoral Funding Act 2018* or the *Lobbying of Government Officials Act 2011*.

Significant issues impacting investigations in 2020–21

In early 2020, the COVID-19 global pandemic introduced a sudden and altered operational environment, which impacted the work of the Commission, including its investigations. During this time, investigation staff continued to work with professionalism and maturity, and assisted the Commission to deliver on its commitment to service NSW.

The last quarter of the 2019–20 reporting period had a particular impact on the operational work of the Commission. Specifically, the Commission experienced:

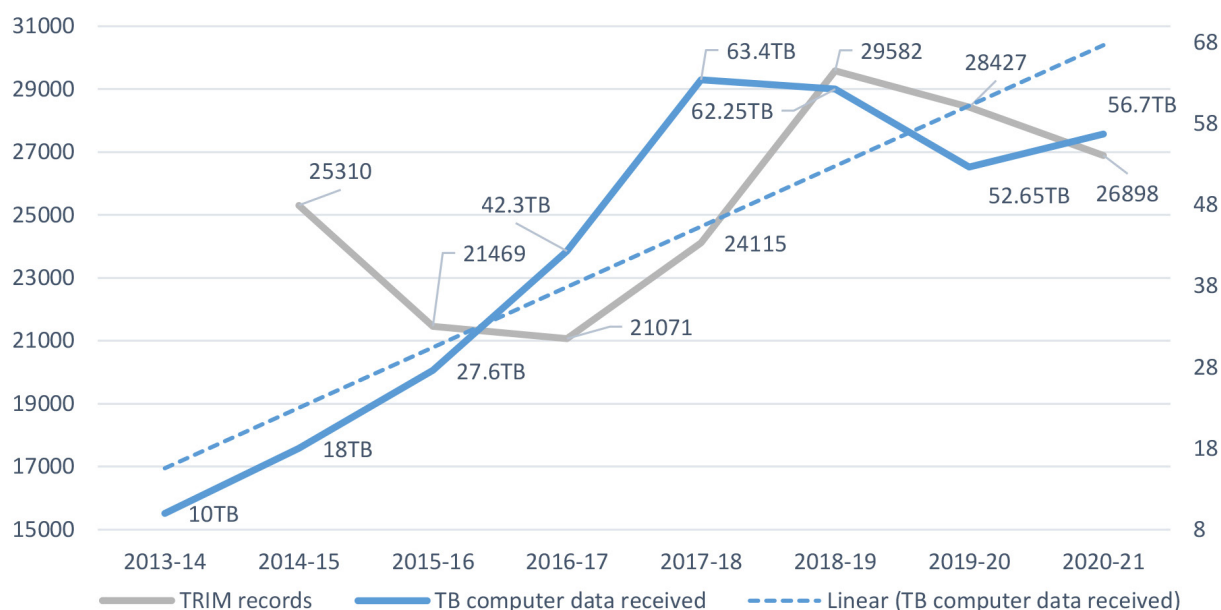
- reduced witness availability for investigation and hearing purposes
- inability to execute search warrants
- delays in obtaining information from agencies to assist investigations due to office closures and staff working from home.

Operational field work recommenced in July 2020, and, in an eight-month period, investigation staff executed 24 search warrants (compared with only two in the previous reporting year). This resulted in the seizure of a large amount of computer and mobile data, estimated at over 40 terabytes of data requiring acquisition and analysis.

Receipt of this amount of computer data in a short period of time led to a build-up of data requiring acquisition, which, due to insufficient forensic personnel and the time it takes to acquire such a large amount of data, led to delays in the availability of data for analysis, particularly for lower-priority investigations.

Additional hours and resources were allocated to clear the backlog, which forensic personnel achieved

Figure 7: Computer data received and analysed between 2013 and 2021



by the end of the reporting year. The Commission is reviewing the resourcing of the forensic area to accommodate the volume and rise of digital data that is critical to Commission investigations.

In the reporting period, the Commission continued to investigate a number of large and complex matters, three of which resulted in a public inquiry, and a number of which are still in progress.

As at 30 June 2021, there were 10 operations and six preliminary investigations (four of which were preliminary investigations of the Strategic Intelligence and Research Unit). As with previous years, there were fewer investigations (operations) but a greater number of preliminary investigations. During the reporting period, seven matters, which commenced as preliminary investigations, were escalated to full operations.

Despite the changed operating environment caused by the pandemic across Australia and beyond, the Commission was able to assist interstate integrity agencies and Commonwealth agencies in continuing their important work, including by way of serving interstate summonses, undertaking private examinations and assisting with surveillance and technical support.

The Commission's investigations continue to be complex, with a significant reliance on financial investigation and computer forensics. The receipt and seizure of computer data remains high, with the receipt of over 56 terabytes of data in the reporting year. The decrease in the number of documents saved into the Commission's TRIM record-keeping system, may be attributed to a more streamlined process in the selection of information that needs to be saved during the digital analysis process.

Strategic Intelligence and Research Unit

The Strategic Intelligence and Research Unit (SIRU) provides the Commission with an advanced intelligence capability that enhances its dual investigative and prevention functions. SIRU has two core objectives: to proactively identify emerging corruption trends within the NSW public sector and, where appropriate, to conduct preliminary investigations.

In 2020–21, SIRU conducted six preliminary investigations into suspected systemic corrupt conduct within a NSW public sector agency. The identification and focus on the six preliminary

investigations was a result of its broader trend analysis of matters being reported to the Commission.

Three of the preliminary investigations have been escalated; however, two of those will be included in the statistics for next year's annual report. One of the matters has been referred back to the agency for further reporting under s 53 and s 54 of the ICAC Act. All of the preliminary investigations highlight a serious and systemic corruption risk prevalent within the sector and will be documented in subsequent reporting by the Commission.

In 2020–21, SIRU commenced another strategic intelligence project into a sector of the NSW government. This project will examine patterns in current reporting to the Commission, emerging corruption trends and the systems and methods used to mitigate those corruption risks. The strategic intelligence projects are informed by direct collaboration with the affected public authorities, liaison with the Commission's partner agencies and extensive analysis of information holdings.

Capability development

SIRU continues to formalise relationships with NSW government agencies. Through those agreements, the Commission has secured access to important data sets that will facilitate the identification and analysis of potential corruption issues in planning and development decisions. The acquisition of this data will enhance the initial NSW Local Council Pilot Project, which was first documented in the 2019–20 annual report.

SIRU's extensive intelligence holdings are maintained in sophisticated analytical platforms. This capability enables the unit to provide tailored intelligence products to support the Commission's Investigation and Corruption Prevention divisions. The variety of intelligence produced by the unit is diverse. Tactical and operational data analysis is offered to support investigations undertaken by the Investigation Division, while broader data and analysis is provided for a range of projects initiated by the Corruption Prevention Division.

Inter-agency collaboration

SIRU proactively engages with anti-corruption and integrity agencies in other state and Commonwealth jurisdictions. Partner agencies have leveraged the Commission's application of strategic intelligence in a number of important ways.

In May 2021, SIRU participated in the intelligence capability review of an interstate anti-corruption agency. Lessons absorbed from the Commission's use of strategic intelligence formed the basis of observations and recommendations on how the agency's processes could be refined or enhanced. These submissions were documented in a formal paper delivered at the conclusion of the review. Other agencies have consulted with the unit on how to effectively align strategic intelligence to complement broader organisational objectives.

Inter-agency relationships are maintained and developed through the National Intelligence Network, initiated by the unit in 2019. The network facilitates the sharing of information, methodologies and systems among nine partner agencies.

How we investigate

The Commission has key performance indicators (KPIs) for the timeliness of its investigations. It aims to complete 80% of its preliminary investigations within 120 days and SIRU preliminary investigations within 240 days of the Commission's decision to commence the investigation.¹ If a matter is escalated to an operation, the time period for completing the investigation is extended to 16 months, and the Commission aims to complete 80% of matters within that period.² If a public inquiry is held for the purpose of an investigation, the confidential phase of the investigation ends.

The period of time between the commencement of the public inquiry and the publication of the investigation report is dealt with in Chapter 5.

Review and amendment to investigation KPIs

In 2020, the Commission conducted a comprehensive review and updated some external and internal KPI investigation measures, which considered the increasing complexity of the Commission's investigations, and operational and technological changes over the past five years.³ The review resulted in an amendment to investigation and SIRU preliminary investigation KPI targets.

¹ Decisions to conduct preliminary investigations are made by the Commission's Assessment Panel (see Chapter 2).

² The 16-month period includes the 120-day period for a preliminary investigation, or 18 months, if the operation arose from a SIRU preliminary investigation. This means that the Commission aims to complete the investigation phase of an operation (non-public) within 12 months of the date of escalation.

³ The target of 80% closure of preliminary investigations in 120 days remains unchanged.

The Commission implemented a two-tiered system of investigations based on the level of complexity (that is, standard investigations or complex investigations), which more accurately reflects the time to properly complete an investigation.⁴ The Commission commenced internal reporting against this change in the 2020–21 reporting year.⁵ Only one of the seven investigations under the new system was concluded this year, as such reporting of the new KPI system will commence in the 2021–22 annual report.

All investigations commence as standard investigations. The Investigation Management Group (IMG) may categorise an investigation as complex considering a number of factors, including:

- the number of persons of interest
- timeframe of the conduct
- complexity of the financial investigation
- volume of evidence.

SIRU develops intelligence and transforms it into actionable preliminary investigations, a painstaking and methodical process. SIRU also provides regular intelligence support to the Investigation and Corruption Prevention divisions and the Assessments Section. The SIRU KPI was amended to reflect its current workload.⁶

Our investigations

At the commencement of the 2020–21 reporting period, a total of four SIRU preliminary investigations, six preliminary investigations and 10 operations were carried over from the previous period.⁷ A total of 24 preliminary investigations (four of which were undertaken by SIRU) and seven operations were completed in 2020–21. At the end of the reporting period, there were six ongoing preliminary (two of which were SIRU preliminary investigations) and 10 operations.⁸

⁴ Standard investigations have a KPI of 70% completion of investigations within 16 months from the date of the Assessment Panel decision. Complex investigations have a KPI of 70% completion of investigations within 24 months from the date of the Assessment Panel decision.

⁵ The new standard or complex categories commenced on 1 July 2020. Any matters prior to 1 July 2020 continue to be reported under the previous KPI system.

⁶ The SIRU preliminary investigation KPI was amended from 80% closure in 240 days to 70% closure within 300 days. The new KPI applies only to those SIRU preliminary investigations referred by the Assessments Section from 1 July 2020.

⁷ All SIRU preliminary investigations are reported under the previous KPI; that is prior to 1 July 2020.

⁸ Six of the operations are standard investigations and were escalated to investigations after 1 July 2020.

The percentage of preliminary investigations completed by the Commission within 120 days has decreased from 87.5% in 2019–20 to 62.25% in 2020–21. The average time taken to complete preliminary investigations increased slightly from 95 days in 2019–20 to 102 days in 2020–21, which is attributed to the increase in the number of preliminary investigations completed this reporting year.⁹

In 2020–21, SIRU did not complete any preliminary investigations within 240 days and the average time taken to complete a SIRU preliminary investigation was 362 days.¹⁰ In 2019–20, 75% of SIRU preliminary investigations were completed within 240 days, and the average time taken to complete SIRU preliminary investigations was 174 days.

In addition to the ongoing effects of the COVID-19 pandemic, there are a number of factors that impacted on SIRU's ability to complete its preliminary investigations within the prescribed timeframe, including:

- limited resourcing (the unit consists of two full-time staff members)
- the length of time taken to receive data requested under Commission powers
- the number of different sources from which information had to be collected
- the complexity of the matters that followed on from the Strategic Intelligence Project
- a separate preliminary investigation in which an extensive financial investigation had to be conducted by a forensic accountant.

The percentage of operations completed within 16 months has decreased from 30% in 2019–20 to 20% in 2020–21. The average time taken to complete a full investigation has increased from 558 days in 2019–20 to 807 days in 2020–21. These figures can be attributed to a number of factors, including:

- in the final reporting quarter of 2019–20, the COVID-19 pandemic limited the Commission's ability to conduct interviews, execute search warrants, and to hold compulsory examinations

- in July 2020, some pandemic restrictions were lifted, allowing the Commission to continue field operations (as a result, in an eight-month period, 24 search warrants, compared to two in 2019–20, were executed resulting in the seizure of over 40 terabytes of digital data)
- the receipt of this quantity of digital data in a brief period caused a data acquisition bottleneck, resulting in a strain on the Commission's limited computer forensic resources
- data acquisition was based on priority investigations, resulting in a delay for digital data analysis for lower-priority matters (additional resources were allocated, resulting in the bulk of the data being cleared by the end of June 2021)
- the investigation and closure of two longstanding investigations, which skewed the number of days in which full investigations were completed.

Notwithstanding the limitations imposed by the pandemic on investigations and the volume of digital data, the Commission was able to complete 24 preliminary investigations and seven full investigations.

With the introduction of the two-tiered KPI system of standard and complex investigations and the expected completion of four longstanding investigations in 2021–22, an improvement in the completion of investigations should be seen in the 2022–23 reporting year.¹¹

Table 15: Preliminary investigation statistics for 2020–21

Number current as at 1 July 2020	6
Number referred by Assessment Panel	16
Number current as at 30 June 2021	2
Days on average taken to complete	102
Number completed within 120 days	13
% completed within 120 days	62.25%

⁹ A total of 24 preliminary investigations in 2020–21 compared to 12 in 2019–20.

¹⁰ SIRU original preliminary investigations KPI of 240 days was set in 2018 without a comparative formula. All SIRU preliminary investigations completed in 2020–21 were matters received prior to 1 July 2020 and reported under the pre-1 July 2020 KPI.

¹¹ There are currently four longstanding matters under the 1 July 2020 KPI, and six standard investigations under the post-1 July 2020 KPI.

--	--

Table 16: SIRU preliminary investigation statistics for 2020–21

Number current as at 1 July 2020	4
Number referred by Assessment Panel	4
Number current as at 30 June 2021	4
Days on average taken to complete	362
Number completed within 240 days	0
% completed within 240 days	0%

Table 17: Full investigation (operation) statistics for 2020–21

Number current as at 1 July 2020	10
Number escalated from preliminary investigation	7
Number discontinued/concluded	7
Number current as at 30 June 2021	10
Days on average taken to complete	807
Number completed within 16 months	2
% completed within 16 months	20%

Table 19: Source of preliminary investigations by sector in 2020–21

Sector	Number of preliminary investigations	% of preliminary investigations
Government and financial services	7	35%
Health	5	25%
Local government	3	15%
Natural resources and environment	2	10%
Transport, ports and waterways	2	10%
University matters	1	5%

Table 18: Statutory powers used by the Commission in 2020–21, compared to the three previous years

Power	2020–21	2019–20	2018–19	2017–18
Notice to produce a statement (s 21)	3	34	18	23
Notice to produce a document (s 22)	438	470	538	680
Notice authorising entry to a public premise (s 23)	0	0	1	1
Summons (s 35 notices)	148	89	158	233
Arrest warrant (s 36)	0	0	1	0
Order for prisoner (s 39)	2	0	4	3
Search warrant (s 40)*	24	2	32	5
Controlled operations	0	0	0	0
Surveillance device warrants	5	3	2	3
TIA Act** – telephone interception warrants	11	7	18	16
TIA Act – stored communications warrants	0	2	7	0
TIA Act – telecommunications data authorities (s 178 and s 180)	168	204	295	289
Controlled operations undertaken	0	0	0	0
Statements taken	82	131	0	0
Interviews conducted	92	67	226	181

* All warrants were issued by an external authority; none was issued by the Commissioner.

** *Telecommunications (Interception and Access) Act 1979*.

Use of statutory powers

Investigations may include the use of statutory powers, such as search warrants, surveillance devices, controlled operations, and the interception of telecommunications. All applications for the use of statutory powers are reviewed by a Commission lawyer before final approval is given by the Executive Director, Legal, to apply for the use of power. This process is designed to ensure that all applications comply with regulatory and evidentiary requirements before being submitted to the appropriate authorities.

Public inquiries and compulsory examinations

If the Commission determines it is in the public interest to do so, it may take evidence from witnesses in compulsory examinations. These examinations are held in private. When examinations are held in public, the evidence is generally heard before (and made available to) the public, subject to the discretion of the presiding Commissioner to suppress restrict publication of the evidence, if he or she believes it is in the public interest to do so. The public inquiry may also be live streamed subject to the discretion of the presiding Commissioner.

The Commission can compel witnesses to answer questions and produce documents or other things when they are summonsed to a compulsory examination or public inquiry. The witness must comply with this direction regardless of whether the answers or production of the documents or other things may incriminate them. A witness, however, may object to answering the question or to producing the item. If an objection is made, the witness must still comply with the direction but neither the answer nor the item produced is admissible as evidence against the witness in any subsequent criminal, or civil proceedings, other than for an offence under the ICAC Act. Also, disciplinary proceedings may be taken against a public official on the basis of a finding of corrupt conduct made by the Commissioner in a report under s 74 of the ICAC Act and evidence supporting that finding, including evidence of the public official that was given under objection.

In 2020–21, the Commission conducted 85 compulsory examinations and three public inquiries (operations Keppel, Witney and Paragon) over 68 days.

Investigation outcomes

The Commission is an investigative body that can make findings of corrupt conduct against public officials or other persons who engage in corrupt conduct that involves or affects, or could involve or affect, the exercise of public official functions by a public official.

The Commission is not a court or disciplinary tribunal and does not conduct prosecutions or disciplinary proceedings as a consequence of any of its investigations. Outcomes that may result from a Commission investigation include:

- findings of serious corrupt conduct
- corruption prevention recommendations and advice
- referral of evidence to the DPP or another appropriate agency to consider such action as:
 - prosecution action
 - disciplinary action
 - proceeds of crime action
 - further investigation.

It is important to acknowledge that not every investigation will produce findings of serious corrupt conduct. An investigation is designed to determine the truth or otherwise of the allegation raised. As such, an investigation may find that there was no corrupt conduct.

Witness cooperation policy

The Commission's witness cooperation policy sets out what the Commission can do to encourage those involved in corruption to cooperate with the Commission to establish that corrupt conduct has occurred and the full extent of that conduct.

The policy is published on the Commission's public website at www.icac.nsw.gov.au and in the Commission's *Information for Witnesses* brochure, which is provided to all persons who receive a summons requiring them to give evidence at a Commission hearing. A copy of the policy is also published in this report at Appendix 17.

The policy sets out how persons cooperating with the Commission can be protected against any potential harm, intimidation or harassment arising from their

cooperation. It also sets out potential benefits available to those who fully cooperate with the Commission. These may include:

- acknowledgement of assistance in a Commission report
- exercise by the Commission of its discretion not to make corruption findings
- exercise by the Commission of its discretion not to recommend consideration of prosecution
- recommending to the NSW Attorney General that a person be granted an indemnity from prosecution for a specified offence or in respect of specified acts or omissions
- recommending to the NSW Attorney General that a person be given an undertaking that an answer, statement or disclosure in proceedings before the Commission or the fact of a disclosure or production of a document in proceedings before the Commission will not be used in evidence against the person
- if a person is convicted of a criminal offence, providing a letter to the relevant court requesting that the court take the person's cooperation with the Commission into account when imposing sentence.

During the reporting period, the policy proved effective in Operation Paragon. This investigation concerns an allegation that, between 2009 and June 2019, then Roads and Maritime Services (RMS) employees Alexandre Dubois and Craig Steyn partially and/or dishonestly exercised their official functions by awarding in excess of \$41 million in RMS contracts, to companies with which they were associated, in exchange for receiving benefits. A number of witnesses cooperated with the Commission, thereby aiding the investigation and reducing the length of the public inquiry.

Proceeds of crime

Recovering the proceeds of crime removes the financial benefit for serious corrupt conduct. The forfeiture of corrupt assets is a key prevention strategy in reducing the motivation for those engaging in corrupt conduct.

The Commission does not have the function or legislative power to recover criminal proceeds of crime; however, the Commission can refer evidence to the NSW Crime Commission for the consideration of initiating asset confiscation proceedings under the *Criminal Assets Recovery Act 1990*.

In Operation Paragon, the Commission referred evidence to the NSW Crime Commission, which initiated confiscation proceedings that resulted in the recovery of over \$3.94 million. Additionally, Transport for NSW initiated proceedings in the NSW Supreme Court against another individual in Operation Paragon, which resulted in the making of consent orders freezing assets to the value of \$876,677.49. During the Commission's Operation Ember, Transport for NSW initiated asset confiscation proceedings that resulted in the recovery of over \$5.175 million. When combined, this amounts to approximately \$10 million in proceeds of corrupt conduct either frozen or forfeited to the state.

Referrals and other disseminations

During the reporting period, the Commission disseminated intelligence gathered in the course of investigations to the:

- Attorney-General's Department
- Australian Border Force
- Australian Competition and Consumer Commission
- Australian Federal Police
- Australian Financial Complaints Authority
- Australian Securities & Investments Commission
- Australian Taxation Office
- AUSTRAC
- Independent Broad-based Anti-Corruption Commission
- Northern Territory Office of the Independent Commission Against Corruption
- NSW Crime Commission
- NSW Electoral Commission
- NSW Police Force
- Office of the Registrar of Indigenous Corporations
- Victorian Police.

Improving digital forensic capability

The Commission's maturing digital capabilities delivered under its ongoing Digital Business Improvement (DBI) project provides the opportunity

to be flexible and innovative, and those capabilities were tested during the pandemic. Despite the challenging circumstances, the professionalism of staff enabled the Commission to continue to operate, even off-site, and to process and analyse large amounts of digital data that are critical to the Commission's core business.

As part of the DBI project, investigation staff were trained in the Commission's advanced digital investigation software platform to enable enhanced extraction and analysis of computer data. "Superusers" were provided advanced software training to provide ongoing training and advice to investigation staff.

Through the DBI project, the Investigation Division will continue to build its investigative function within the digital landscape to maintain pace with current technology and maximise the Commission's digital capabilities.

Improving investigative practices

The Commission continually undertakes procedural, policy and legislative reviews that impact on its investigations. It also researches and develops its processes and systems, resources and investigation tools to find new and more advanced ways of dealing with technological developments.

A financial investigation procedure was introduced during the reporting period to standardise the way in which the Commission conducts financial investigations, and an intelligence analyst procedure is currently being developed.

As noted above, the Commission strives to deliver and enhance its digital capabilities, including digital analytics and tools. As part of the DBI project, the development of new procedures has begun for digital and mobile telephone analytics, and the Commission will liaise with other agencies to research best practice and emerging trends.

National Investigations Symposium

The National Investigations Symposium (NIS) is a biennial conference that aims to enhance the capacities of investigators and complaint-handlers to deal effectively with allegations of corruption and other workplace misconduct. It is a joint initiative of the Commission and its planning partners, the NSW Ombudsman and the Institute of Public Administration Australia NSW Division.

The symposium program comprises two days of presentations and panel forums, and a preceding day of interactive workshops. The workshops are open to NIS delegates and non-delegates.

The symposium had earlier been rescheduled from delivery in November 2020 to November 2021, and then May 2022 due to the risks posed by the COVID-19 pandemic.

Symposium planning progressed throughout the year, and a preliminary program was built for registration to open in October 2021. However, the partners agreed in July 2021 to schedule the next symposium for 2023.

Learning and professional development

The Investigation Division requires highly skilled and motivated staff to achieve the Commission's core functions and strategic goals. As the Commission continues to leverage new and improved technology in investigation techniques, a fundamental requirement is to ensure the skills of staff are maintained and enhanced.

During the reporting period, investigation staff were given opportunities to attend workshops, training and courses on a range of topics, including social media intelligence, taxation and trusts, investigative interviewing, digital forensics and Microsoft Office.

The Commission remains focused on developing its leaders to drive change at all levels. During the reporting period, a number of investigation staff completed the NSW Department of Premier and Cabinet's Leadership Development Program. In 2021–22, two investigation leaders will undertake seven-month and 12-month programs offered by Women and Leadership Australia.

Chapter 4: Preventing corruption

Corruption prevention projects.....	41
Advice	42
Education	42

The Commission's Corruption Prevention Division primarily deals with functions relating to the examination of laws, practices and processes that may be conducive to corrupt conduct. Its role also includes promoting the integrity and good repute of public administration. The division performs this function in a number of ways, including:

- investigating matters that may have allowed, encouraged or caused corrupt conduct. This is usually accomplished by including a corruption prevention officer in the relevant investigation team
- undertaking corruption prevention projects
- providing written and face-to-face advice
- designing and delivering training, speaking engagements, educational materials and conferences.

Corruption prevention projects

In 2020–21, the Commission released or contributed to a number of new publications examining corruption risks within the public sector.

Lobbying practices in NSW

In June 2021, the Commission finalised its investigation into lobbying, access and influence, known as Operation Eclipse, which built on findings published in 2010 of its first examination of lobbying practices (Operation Halifax). Unlike most Commission investigations, Operation Eclipse did not focus on allegations against any individual; rather, it examined factors that might allow, encourage or cause corrupt conduct.

If conducted ethically and honestly, lobbying can contribute positive outcomes in the public interest. However, the Commission has found that new legislation, or significant reform of the *Lobbying of Government Officials Act 2011* ("the LOGO Act"), is required to safeguard the public interest against the risk of corruption and undue influence.

The Commission's report, *Investigation into the regulation of lobbying, access and influence in NSW*, sets out nine key findings and 29 recommendations to better regulate lobbying in NSW.

The recommendations emphasise the importance of lobbying regulation that promotes transparency of process and accountability in decision-making.

They are directed to reassuring the community that lobbying practices are not conducted in unaccountable secrecy. The principal features of the proposed reform include:

- creating a dedicated NSW lobbying commissioner whose principal purpose is to regulate the LOGO Act
- expanding the Lobbyists Code of Conduct, which primarily creates obligations for lobbyists, to create obligations for government officials who are lobbied, and renaming it the "Lobbying Code of Conduct"
- prohibiting undocumented or secret meetings with lobbyists and for all communications with lobbyists to be documented, including those held away from government premises
- classifying as a "scheduled meeting" any fundraising event, where someone pays for exclusive or private access to a minister (this recommendation also requires disclosure in published summaries of ministerial diaries, and whether access was paid for)
- broadening the range of lobbyists required to register beyond third-party lobbyists, to include professional in-house lobbyists and others
- requiring the diaries of ministers and parliamentary secretaries to disclose the reason for each meeting, and be published monthly in a format that facilitates easy online access to enable public scrutiny
- amending legislation to subject those in designated high-risk roles and associated "key officials" to a six-month restriction on employment related to their public duties
- extending relevant provisions of the LOGO Act to apply to local government.

Guidance for audit and risk committees

Public sector audit and risk committees (ARCs) play an important role in managing the risk of fraud and corruption. In recognition of this role, in September 2020, the Commission issued its guidance for ARCs, *Dealing with corruption, fraud and the ICAC: the role of public sector audit and risk committees*. The guidance explains an ARC's role in relation to overseeing an agency's overall fraud and corruption control framework, complaints-handling and investigations, setting an internal audit and risk management program that addresses corruption and the management of probity.

Australian Standard on Fraud and Corruption Control

In June 2021, Standards Australia issued its revised standard on *Fraud and Corruption Control* (AS 8001:2021). It replaced the 2008 version of the standard. The Commission was represented on the working group that rewrote the standard and it also authored the business case that initiated the project.

Among other things, the new standard contains updated advice concerning technology-enabled fraud and aligns to the international standard on anti-bribery management systems (ISO 37001). The standard also emphasises the importance of top management commitment and having a fraud and corruption control function that is “no more than two levels removed from the Chief Executive Officer or equivalent”. The Commission wrote to all cluster secretaries to advise them of the release of the new standard and remind them of the need for commitment from senior management personnel to control fraud and corruption.

Guidance on policy development

In January 2021, the Commission issued *Advice on developing a fraud and corruption control policy* and an accompanying sample model policy. Better practice indicates that organisations should have a policy that sets out an overall approach to managing fraud and corruption. Having such a policy is also a requirement for agencies bound by Treasury Circular 18-02, *NSW Fraud and Corruption Control Policy*. The Commission’s publication sets out advice in relation to:

- an agency’s attitude to fraud and corruption

Risk associated with government grants

In July 2020, the Legislative Council’s Public Accountability Committee commenced an inquiry into the integrity, efficacy and value for money of NSW Government grants programs. The Commission made a detailed written submission that described the corruption risks associated with grant programs and a number of recommendations for better practice. The Chief Commissioner subsequently gave oral evidence to the committee on 16 October 2020 and the committee’s report made numerous references to the Commission’s evidence.

- assigning roles and responsibilities
- committing to controls that prevent, detect and respond to corruption.

YouTube channel

The Commission launched its YouTube channel in 2019–20. In the 2020–21 reporting period, new content was added on the following topics:

- CV fraud
- supplier due diligence
- how to report corrupt conduct
- how to recognise the signs of corruption in procurement
- gifts, hospitality and bribes
- corruption involving senior executives
- value for money in procurement.

By the end of the financial year, the channel had attracted over 100,000 views.

Advice

The Commission provides advice on ways to prevent or combat corrupt conduct. This can range from minor issues that are dealt with in a single telephone discussion to significant issues requiring detailed discussions with a public authority and its officials. The advice service is available to all officers of the NSW public sector and members of the public. Matters that are routinely dealt with by telephone or email often concern conflicts of interest, procurement and tendering, management of planning and development applications, the review of anti-corruption policies and procedures and guidance regarding best practice arrangements for limiting corruption risk and enhancing integrity.

In 2020–21, the Commission provided advice on 150 occasions (compared with 142 in 2019–20 and 180 in 2018–19). This included making submissions to relevant government inquiries and reviews.

As part of its advice function, the Commission holds face-to-face or online liaison meetings with agencies, which includes both regular and ad hoc discussions.

Education

The Corruption Prevention Division is responsible for delivering an education and training program.

Training

Despite the necessary restrictions imposed as a consequence of the COVID-19 pandemic, the Commission delivered 101 primarily online workshops across NSW to 1,880 attendees during the reporting period. This is fewer than the 116 workshops delivered in 2019–20. Corruption prevention and procurement-related workshops were the most requested. Of the 101 workshops delivered in the reporting period, 77 were evaluated to ensure quality. Unlike in previous years, all evaluations were conducted online. A total of 413 responses were provided; approximately 54% fewer responses overall than the previous year. A total of 98% of participants rated these workshops as “useful” or “very useful”, and 97% of participants “agreed” or “strongly agreed” that these workshops met their learning needs. This compares with last year’s figures of 97% and 95% respectively, and are an indication of the success of the Commission’s online training program.

During the reporting period, the majority of workshops were delivered online using videoconferencing technology (such as Zoom and MS Teams), with a small number of face-to-face workshops conducted towards the end of the financial year when COVID-19 restrictions were lifted. While online delivery has its own challenges, the workshops afforded greater access, were well received and remain useful. As shown in the table on page 44, 89% of workshops delivered in 2020–21 were online.

A total of 15 workshops were delivered specifically for public officials in regional NSW; considerably fewer than the 52 delivered outside Sydney in the previous year. In this regard, a preference was expressed by some regional councils and agencies to wait until face-to-face training was possible again rather than proceed with online workshops.

The Commission hosted its open workshop program online this year. This program had previously been conducted face-to-face in Sydney and included 15 workshops in 2019–20. Due to an increase in demand, 30 such workshops were conducted online in 2020–21. Regional staff, who in the past may have been excluded from the in-house, face-to-face sessions hosted in Sydney, were able to attend these sessions online.

During the reporting period, a new workshop was developed and trialed in response to requests for a workshop targeting information communication technology (ICT) professionals. Titled “Corruption

Favouritism in regulating NSW water

In November 2020, the Commission released *Investigation into complaints of corruption in the management of water in NSW and systemic non-compliance with the Water Management Act 2000*. The report deals with multiple allegations, spanning almost a decade, in two related investigations (Operation Avon and Operation Mezzo), concerning complaints of corruption involving the management of water, particularly in the Barwon–Darling area of the Murray–Darling Basin.

Ultimately, the Commission was not satisfied in relation to any of the matters it investigated that the evidence established that any person had engaged in serious corrupt conduct. However, the Commission found that the government department responsible for water management repeatedly undermined the governing legislation’s priorities over the past decade by adopting an approach that was unduly focused on the interests of the irrigation industry at the expense of other stakeholders, such as environmental agencies.

As a result, the policy-making process became vulnerable to improper favouritism, as environmental perspectives were sidelined from policy discussions. Specific failures in the administrative arrangements concerning water regulation and compliance also created an atmosphere that was overly favourable to irrigators. This was largely due to chronic underfunding, organisational dysfunction and a lack of commitment to compliance.

The Commission made 15 recommendations to address these issues and to promote the integrity and good repute of public administration in relation to water management. Specifically, the recommendations dealt with the:

- lengthy history of failure in giving proper and full effect to the objects, principles and duties of the governing water management legislation, and its priorities for water sharing
- failure to fully implement water-sharing plans and ensure they are audited
- need to fund independent scientific audits to determine the ecological health of rivers
- lack of transparency, balance and fairness in consultation processes undertaken by the NSW Government
- sidelining of public officials undertaking environmental roles within the NSW Government
- control weaknesses in the classification and handling of confidential and sensitive information
- regulatory failures in the state’s water market
- lack of transparency and accountability in water account information.

prevention for ICT professionals”, the workshop focuses on the corruption risks specific to this area: ICT procurement, contract and project management, and information/cyber security. It was well received and will be added to the Commission’s suite of workshops in the future. The “Corruption prevention for planning professionals” workshop was also updated with new content related to the Operation Dasha investigation.

Speaking engagements

Audiences for the Commission’s speaking engagements include government departments and local councils, peak bodies such as Local Government Professionals and the Corruption Prevention Network (CPN). The Commission is an active supporter of the CPN, a not-for-profit association committed to providing learning opportunities to individuals involved in corruption prevention and fraud control. In particular, the

Table 20: Workshops delivered in 2020–21

Workshop/session 2020–21	Workshops	Hours	Participants	Regional	Open	Online
Corruption prevention in procurement	38	129:00	670	4	10	32
Corruption prevention for managers	23	91:30	356	3	10	22
Corruption prevention for planning professionals	15	47:15	231	4	4	11
Custom workshops	10	34:00	414	2	0	10
Strategic approaches to corruption prevention senior executive workshop	7	27:30	111	0	3	7
Corruption prevention in a regulatory role	4	10:30	49	2	0	4
Getting the most out of your corruption prevention training program	3	11:00	40	0	3	3
Corruption prevention for ICT professionals	1	2:00	9	0	0	1
TOTAL	101	352:45	1,880	15	30	90

Table 21: Number of speaking engagements delivered compared with previous years

	2020–21		2019–20		2018–19	
Month/quarter	Number of engagements	Number addressed*	Number of engagements	Number addressed*	Number of engagements	Number addressed*
Jul–Sept	14	707	18	1,006	24	985
Oct–Dec	45	3,626	21	930	29	926
Jan–Mar	20	703	11	408	24	818
Apr–Jun	21	904	12	929	16	451
Total	100	5,940	62	3,273	93	3,180

* These figures are based on estimates of attendance.

Commission assists the CPN to plan and deliver monthly seminars. During 2020–21, these seminars were held online and attracted close to 200 attendees on average.

In 2020–21, Commission officers delivered 100 speaking engagements to approximately 5,940 attendees. This represents a significant increase on the 62 delivered in 2019–20. The Commission attributes the increase to the adoption of online videoconferencing technology, which commenced in late 2019–20, and that some engagements planned for 2019–20 may have been moved into 2020–21. The increase may also reflect some agencies switching preferences from workshops to presentations during the pandemic.

In November 2020, the Commission hosted a two-and-a-half-hour online corruption prevention forum that attracted over 400 attendees. The forum highlighted the key lessons learnt from operations Gerda and Cygnet as well as better practice in relation to supplier due diligence and audit and risk committees from the Commission's corruption prevention publications.

YouTube videos

As noted above, over the last two years, the Commission has developed a number of short videos explaining key corruption topics. The Commission encourages agencies to make use of these products during their induction and refresher training. While these videos cannot replicate the detail provided during a workshop, they are a valuable addition to the Commission's educational offerings and can be easily accessed and widely distributed.

Other impacts of COVID-19

The Commission normally runs biannual rural and regional outreach visits. Due to COVID-19 restrictions, these visits were not held in 2020–21. However, this was partially offset by the delivery of online content to rural and regional public officials.

In addition, the Corruption Prevention Division normally holds, in conjunction with the Australian New Zealand School of Government (ANZSOG), an annual executive short course that is taught over four days. The Commission and ANZSOG determined that the course was not suitable for delivery online. Consequently, it was not held in 2020–21; however, planning is underway to deliver the course in the next reporting period.

Misuse of personal information

On 11 May 2021, the Commission released *Investigation into the conduct of a Service NSW officer* (Operation Mistral). In the report, the Commission set out its findings that a Service NSW officer engaged in serious corrupt conduct by agreeing with a friend she had known since high school, to effect the transfer of a motor vehicle registration in return for a financial benefit. The officer also provided her friend with the wording for a false statutory declaration to facilitate the registration transfer, along with instructions concerning how he could ensure she was the customer service officer who dealt with the transaction.

The officer further engaged in serious corrupt conduct by agreeing with her friend that she would supply him with the address of a motor vehicle from the Driver and Vehicle IT System (DRIVES) restricted database in return for a financial benefit.

The officer improperly accessed the personal information of an individual and intentionally disclosed the personal information to a family member, knowing that it was wrong to do so. The information included the individual's residential address and the licence plate number of his vehicle.

The officer engaged in further serious corrupt conduct by intentionally and dishonestly asking another Service NSW customer service officer to access the DRIVES restricted database to provide her with the original purchase price paid by a seller for a vehicle purchased by the officer's sister. She then disclosed that price to her sister.

Many public sector agencies across NSW retain the private and personal information of NSW citizens. The risk of public officials improperly accessing and misusing such information for corrupt benefit must be adequately managed.

The Commission found that Service NSW's quality control framework failed to adequately address this risk and the Commission made four corruption prevention recommendations to help Service NSW prevent the conduct identified in the investigation from recurring, including that it implement a risk-based system designed to improve detection of unauthorised access of personal information.

The Commission also recommended that Service NSW provide clear guidance on the circumstances where managers can consider allowing an employee to perform transactions in DRIVES for a family member or friend, and establish a single electronic family and friends register to operate across all service centres.

Service NSW agreed to implement all of the Commission's recommendations.

Chapter 5: Compliance and accountability

The Commission's compliance framework.....	47
Internal governance	48
External governance	49
Principal legal changes.....	53
Litigation	53
Complaints against Commission officers.....	53
Privacy and personal information.....	54
Access to information.....	54
Report publicly about the work of the Commission.....	54

The ICAC Act provides the Commission with extensive statutory powers. In addition to powers set out in the ICAC Act, Commission officers can:

- apply for telecommunications interception warrants and stored communications warrants, and obtain access to existing and prospective telecommunications data under the *Telecommunications (Interception and Access) Act 1979* (Commonwealth)
- obtain approval under the *Law Enforcement (Controlled Operations) Act 1997* for the conduct of operations that would otherwise be unlawful
- obtain authorisation to use false identities under the *Law Enforcement and National Security (Assumed Identities) Act 2010*
- apply for warrants to use surveillance devices (listening devices, tracking devices, optical surveillance devices and data surveillance devices) under the *Surveillance Devices Act 2007*.

The Commission has a compliance framework to ensure that it complies with relevant legislative requirements and does not abuse these powers.

The Commission's compliance framework

The Commission's compliance framework consists of internal and external accountability systems. Internal accountability systems include:

- strict procedural requirements for the exercise of all statutory powers
- the Investigation Management Group (IMG) to oversee investigations
- the Prevention Management Group (PMG) to oversee Commission corruption prevention activities
- the Executive Management Group (EMG) to oversee corporate governance and budgeting, and provide overall strategic direction
- the Audit and Risk Committee to provide independent assistance to the Commission by overseeing and monitoring the Commission's governance, risk and control frameworks
- the Work Health and Safety Committee to monitor and review the Commission's policies and regulatory requirements relating to health

and safety in the workplace and oversee equal employment opportunity issues, plans, policies and procedures.

The two main external accountability bodies for the Commission are the Parliamentary Committee on the ICAC and the Inspector of the ICAC. The Commission is also externally accountable for its work through:

- accounting to the NSW Treasury and the Auditor-General for the proper expenditure of funds
- inspection by the Inspector of the Law Enforcement Conduct Commission (LECC) of records of telecommunications interceptions, controlled operations and the use of surveillance devices
- inspection by the Commonwealth Ombudsman of records relating to stored communications warrants, preservation notices and access to telecommunications data
- reporting to the NSW Attorney General and the judge who issued the warrant for each surveillance device warrant
- compliance with access to information and privacy laws, with exemption for certain operational matters
- requirements for annual reporting, including those in the ICAC Act.

In some cases, the Commission's actions are reviewable by the NSW Supreme Court to ensure proper exercise of its functions and powers.

Section 20(5) of the ICAC Act requires the Commission to provide reasons to complainants and those who report possible corrupt conduct under s 11 of the ICAC Act for its decisions to discontinue or not commence an investigation and to inform each such person of the reasons for its decisions.

Pursuant to s 31B of the ICAC Act, the Commission has also issued procedural guidelines relating to the conduct of public inquiries to members of staff of the Commission and counsel appointed to assist the Commission. These guidelines are published on the Commission's website and made available to witnesses and their legal representatives appearing in public inquiries. The guidelines provide guidance on the following aspects of the conduct of public inquiries:

- the investigation of evidence that might exculpate affected persons

- the disclosure of exculpatory and other relevant evidence to affected persons
- the opportunity to cross-examine witnesses as to their credibility
- providing affected persons and other witnesses with access to relevant documents and a reasonable time to prepare before giving evidence
- any other matter the Commission considers necessary to ensure procedural fairness.

Other ways in which the Commission demonstrates accountability to the community include conducting public inquiries, posting public inquiry transcripts and relevant exhibits on the Commission's website, live streaming public inquiries from the Commission website where appropriate, and publishing investigation reports and other material prepared by the Commission.

Internal governance

Legal review

All applications for the exercise of statutory powers for investigation purposes are reviewed by a Commission lawyer to ensure they meet relevant regulatory and Commission requirements. Applications are then reviewed by the Executive Director, Legal.

If approved by the Executive Director, Legal, applications for the exercise of powers under the ICAC Act and some other statutes are submitted to a Commissioner for final approval. Applications for surveillance device warrants are considered by judges of the NSW Supreme Court. Applications for telecommunications interception warrants and stored communications warrants are usually made to judicial members of the Administrative Appeals Tribunal (Commonwealth). Although a Commissioner may issue a search warrant, it is Commission practice that applications for search warrants are made to an "authorised officer", being a magistrate, a registrar of the Local Court, or an employee of the Attorney-General's Department authorised by the Attorney General as an authorised officer.

The Executive Director, Legal audits the Commission's assumed identity records as required under the *Law Enforcement and National Security (Assumed Identities) Act 2010*. In 2020–21, the Commission authorised two new assumed identities. No assumed identities were revoked. One assumed

identity authority was varied. Assumed identities were granted and used by Commission officers in surveillance operations on people of interest in Commission investigations and to maintain covert arrangements. The audit was conducted in November 2020. Records of all audited files complied with the relevant legislative requirements.

Executive Management Group

The EMG comprises the three Commissioners, the Chief Executive Officer and all four executive directors. It is responsible for:

- reviewing and recommending:
 - strategic and business plans
 - risk management
 - policies, procedures and delegations
 - codes of conduct
 - the overall management framework
- considering and determining corporate-wide management commitment to:
 - corporate governance
 - management of information systems
 - human resources
 - finance and general administration
 - communication and marketing
- overseeing major corporate projects by:
 - approving and overseeing projects
 - determining the appropriate level of progress reporting required for each project
 - ensuring effective administration and management of organisational resources
 - making decisions on a suitable course of action when a project is delayed or new information is revealed
 - endorsing strategic directions and broad operational priorities
 - ensuring that Commission staff comply with the policies relating to project planning and management.

Investigation Management Group

The IMG comprises the three Commissioners, the Chief Executive Officer, the Executive Director, Investigation Division, the Executive Director, Legal Division and the Executive Director, Corruption Prevention Division. It oversees Commission investigations, preparation of investigation reports, preparation of briefs of evidence for submission to the DPP, and the progress of criminal prosecutions arising from Commission investigations. The IMG meets monthly (except in January). The functions of the IMG include:

- considering and reviewing the business case for an investigation, the scope and focus of exposure and corruption prevention activities
- making or endorsing key decisions made in the course of an investigation, including decisions about investigation priorities and key strategies and results
- monitoring the delivery of investigation products and results, including public inquiries, investigation reports, briefs of evidence, the implementation of agency corruption prevention implementation and action plans, and the progress of criminal prosecutions arising from investigations
- assessing the benefits of a Commission investigation and considering post-operational assessments.

Prevention Management Group

Members of the PMG are the same as for the EMG. It usually meets monthly. Its functions include selecting, approving and overseeing corruption prevention projects and ensuring the quality and content of these publications.

Operations Manual and Policy Frameworks

The Commission's Operations Manual sets out procedures for the exercise of relevant statutory powers. The procedures must be followed by Commission officers both in applying to exercise a particular power and in exercising that power. The procedures ensure that all relevant legislative requirements are identified and addressed.

The Operations Manual is updated to reflect changes to legislation. Any changes to the Operations Manual must be approved by the EMG.

The Commission has an Investigation Policy Framework document that establishes the framework and the minimum standards for how the Commission performs its investigation function. The Commission also has a Corruption Prevention Policy Framework document that establishes the standards for how the Commission performs its corruption prevention function.

External governance

Parliamentary Committee on the ICAC

The Parliamentary Committee on the ICAC ("the Parliamentary Committee") is the means by which the Commission is accountable to the NSW Parliament. It was established by resolution on 6 April 1989 and was re-established on 19 June 2019.

The functions of the committee are set out in s 64 of the ICAC Act. They are to:

- monitor and review the exercise by the Commission and the Inspector of the ICAC ("the Inspector") of the Commission's and Inspector's functions
- report to both Houses of Parliament, with such comments as it thinks fit, on any matter appertaining to the Commission or the Inspector connected with the exercise of its functions to which, in the opinion of the committee, the attention of Parliament should be directed
- examine each annual and other report of the Commission and of the Inspector and report to both Houses of Parliament on any matter appearing in, or arising out of, any such report
- examine trends and changes in corrupt conduct, and practices and methods relating to corrupt conduct, and report to both Houses of Parliament any change that the committee thinks desirable to the functions, structures and procedures of the Commission and the Inspector
- enquire into any question in connection with its functions referred to it by both Houses of Parliament, and report to both Houses of Parliament on that question.

The committee cannot investigate a matter relating to particular conduct, reconsider a decision by the Commission to investigate, not to investigate or discontinue an investigation, or reconsider any

findings, recommendations, determinations or other decisions of the Commission in relation to a particular investigation or complaint.

The Parliamentary Committee consists of members of Parliament, selected from both the Legislative Assembly and Legislative Council. Following the March 2019 NSW state election, a new committee was appointed on 19 June 2019. As at 30 June 2021, the members of the Parliamentary Committee are:

- Tanya Davies MLA (chair)
- Wendy Tuckerman MLA (deputy chair)
- Justin Clancy MLA
- Mark Coure MLA
- Ron Hoenig MLA
- Trevor Khan MLC
- Tania Mihailuk MLA
- Jamie Parker MLA
- Rod Roberts MLC
- Dugald Saunders MLA
- Adam Searle MLC.

On 14 July 2020, the Commission made a written submission to the Parliamentary Committee's inquiry on reputational impact on an individual being adversely named in the Commission's investigations. Commission officers gave evidence on 18 September 2020 and, on 22 October 2020, the Commission provided written answers to questions on notice.

On 6 August 2020, the Parliamentary Committee published its report on its review of the 2018–19 annual reports of the Commission and the Inspector. The report contained the following findings and recommendation:

Finding 1: The Office of the Inspector of the ICAC is adequately resourced to carry out its functions.

Finding 2: The Chief Executive Officer role within the ICAC is beneficial to the ICAC's operations.

Finding 3: It is important that the Key Performance Indicators of the ICAC reflect any significant changes to the environment in which the ICAC is carrying out its work.

Recommendation 1: When the annual reporting period falls within an election year, the ICAC should include an explanation in its annual report about why there may have been fewer meetings

with the ICAC Committee due to the election and subsequent reconstitution of the ICAC Committee in the new Parliament.

Finding 4: The Inspector of the ICAC's audit function is important, particularly to identify any areas of the ICAC's processes which may benefit from changes.

On 14 May 2021, officers of the Commission appeared before the Parliamentary Committee to give evidence for the purposes of the Parliamentary Committee's review of the 2019–20 annual reports of the Commission and the Inspector.

Reports of the Parliamentary Committee, evidence given to the Parliamentary Committee and submissions made for the purposes of particular inquiries can be accessed from the Parliamentary website at www.parliament.nsw.gov.au.

Inspector of the ICAC

Bruce McClintock SC was appointed the Inspector of the ICAC effective from 1 July 2017.

The principal functions of the Inspector are set out in s 57B of the ICAC Act. Those functions are to:

- audit the operations of the Commission for the purpose of monitoring compliance with the law of NSW
- deal with (by reports and recommendations) complaints of abuse of power, impropriety and other forms of misconduct on the part of the Commission or officers of the Commission
- deal with (by reports and recommendations) conduct amounting to maladministration (including delay in the conduct of investigations and unreasonable invasions of privacy) by the Commission or officers of the Commission
- assess the effectiveness and appropriateness of the procedures of the Commission relating to the legality or propriety of its activities.

The Inspector has extensive powers. These include the power to:

- investigate any aspect of the Commission's operations or any conduct of officers of the Commission
- require Commission officers to supply information or produce documents or other things relating to the Commission's operations or conduct of Commission officers

- require Commission officers to attend before the Inspector of the ICAC to answer questions or produce documents or other things relating to the Commission's operations or the conduct of Commission officers
- investigate and assess complaints about the Commission or Commission officers
- recommend disciplinary action or criminal prosecution against Commission officers.

A memorandum of understanding, entered into on 2 November 2017, sets out arrangements for liaison between the Commission and the Inspector concerning referral of matters, access to information and points of contact between the Commission and the Inspector's office.

During the reporting period, the Inspector published the following three reports:

1. Telecommunications (Interception and Access) Act 1979 (Cth) – *Serious Gap in Inspector's Powers* (October 2020)
2. *Report of an audit of applications for and execution of Search Warrants by the Independent Commission Against Corruption for 2018–19* (October 2020)
3. *Report pursuant to sections 57B(5) and 77A of the Independent Commission Against Corruption Act 1988 determining a complaint by Mr Arthur Moses SC on behalf of the Hon Gladys Berejiklian MP against the Commission* (November 2020).

The purpose of the first report was to raise with the NSW Parliament a longstanding issue concerning the limited powers conferred on the Inspector under the *Telecommunications (Interception and Access) Act 1979* (Cth) to obtain access to telecommunications material intercepted by the Commission. Overcoming this issue would require amendment of that Act by the Commonwealth Parliament. The Commission supports such an amendment.

The second report concerned an audit of the Commission's applications for and execution of search warrants during the period from 1 July 2018 to 30 June 2019. The audit found that the Commission had complied with the relevant law and its own procedures concerning applications for, and the execution of, search warrants. The Inspector was satisfied that, in all cases, it was appropriate to apply for and execute the search warrant in light of the information available to the Commission, there was no evidence of abuse of power, impropriety or other

forms of misconduct on the part of the Commission or Commission officers, and there was no evidence of maladministration.

The third report concerned the circumstances in which a transcript of evidence given in private session at the Commission by Daryl Maguire on 15 October 2020 (and which was the subject of a non-publication direction under s 112 of the ICAC Act) was uploaded to the Commission's public website and, as a result, accessed by a number of persons.

The Inspector found that the transcript was uploaded and made publicly available for approximately 35 minutes as a result of human error on the part of a relatively junior Commission employee. The Inspector decided the matter did not amount to abuse of power, impropriety or other forms of misconduct or maladministration. Nevertheless, the Inspector found that the incident revealed a serious administrative failure that had unfair and detrimental consequences for Ms Berejiklian that would not have happened had adequate processes been in place.

As a result of this incident, the Commission has reviewed and amended relevant work instructions and practices to strengthen security measures around the uploading of transcript to the Commission's public website.

All reports can be accessed from the Inspector's website at www.oicac.nsw.gov.au.

The Auditor-General

Under the *Public Finance and Audit Act 1983*, the Auditor-General has power to inspect, examine and audit the Commission's books and records in relation to all its operations. This Act requires the Commission to submit the financial report to the Auditor-General and to the NSW Premier, as the minister responsible for the Commission. The financial report must:

- be prepared in accordance with Australian Accounting Standards
- comply with any written directions of the Treasurer as to form and content
- exhibit a true and fair view of the Commission's financial position and financial performance.

The Auditor-General is required to audit the Commission's financial report. Details of the Commission's financial report and the Auditor-General's audit are contained in this annual report.

The *Government Sector Finance Act 2018* also applies, however, not all relevant provisions of this Act have yet commenced.

On 20 October 2020, the Auditor-General's report, *The effectiveness of the financial arrangements and management practices in four integrity agencies*, was published. The Commission was one of the four integrity agencies examined.

The audit was requested on 4 November 2019 by the Hon Don Harwin MLC, Special Minister of State, under s 27(B)(3)(c) of the *Public Finance and Audit Act 1983*. That section provides that the Auditor-General's functions include providing any particular audit or audit-related service to the Treasurer at the request of the Treasurer or to any other minister at the request of that other minister.

Key findings of the audit included that the role of the Executive Government in deciding annual funding for the integrity agencies presents threats to their independence and the legal basis for restricting the integrity agencies' access to appropriation funding is contestable. The urgent need for a new funding model for the Commission is discussed in the Commission's November 2020 s 75 special report, *A parliamentary solution to a funding model for the ICAC*, referred to below.

In addition, with reference to the Commission, the audit found that the:

1. Commission's expenditure has been higher than its revenue in most recent years, due to the significant reduction in funding in 2015–16, while demand for assessments of potential corrupt conduct remained steady and the Commission's investigation activities increased
2. process for determining the annual appropriation funding for the Commission does not recognise the Commission's status as an independent agency
3. existing safeguards to threats to the Commission's independence arising from the current funding model are not sufficient
4. Commission does not have an appropriate mechanism to seek additional funding when such funding is required to ensure it can fulfil its legislative role
5. Commission has structured processes for prioritising its work against its legislative mandate

6. Commission has conducted recent reviews to assess its operational efficiency
7. Commission has identified some corporate efficiency savings (including a review of its information and communications technology strategy in 2017, which identified potential savings of around \$1.3 million over 10 years) but has not reviewed its overall corporate structure recently
8. Commission's internal budgeting processes are suitable for its needs but could be better documented.

With respect to point 8, the Auditor-General noted that the Commission could improve its internal budgeting process by:

- documenting its budget policy or strategy
- incorporating budget responsibilities in the relevant staff position descriptions
- analysing the reasons for variances between budgeted and actual expenditure in more detail.

The Commission decided to undertake these suggested improvements to its internal budgeting process.

Inspector of the Law Enforcement Conduct Commission

The Inspector of the Law Enforcement Conduct Commission ("the LECC Inspector") inspects the Commission's records of telecommunications interceptions, surveillance device warrants, and controlled operations to measure compliance with statutory requirements.

On 22 October 2020 and 4 March 2021, officers from the office of the LECC Inspector inspected the Commission's telecommunications interception records. No issues requiring attention were identified during the inspection process.

On 22 October 2020 and 4 March 2021, officers from the office of the LECC Inspector also inspected the Commission's surveillance device records. The only issue identified was that the report to the issuing judge and the Attorney General with respect to one surveillance device warrant did not specify the times between which the surveillance device was used (although it otherwise specified the period of use by setting out the dates during which the device was used). The Commission provided amended reports specifying the relevant times.

As the Commission did not authorise or undertake any controlled operations in 2020–21, there were no controlled operations records for the LECC Inspector to inspect.

The Commonwealth Ombudsman

The Commonwealth Ombudsman can inspect the Commission's records relating to stored communications warrants, preservation notices and access to telecommunications data.

Between 27 and 29 January 2021, the Commonwealth Ombudsman inspected the Commission's stored communications records and telecommunications data records for the period from 1 July 2019 to 30 June 2020. No recommendations were made as a result of the inspection. The Commonwealth Ombudsman provided two streamlined inspection reports.

In the report covering the Commission's stored communications records, the Ombudsman's office made 10 suggestions and two better practice suggestions (for two records). In the streamlined inspection report for telecommunications data, nine suggestions were made. A number of suggestions were general findings with advice provided to all interception agencies during the reporting period. The suggestions in both reports are the subject of ongoing discussions that were not finalised during the reporting period.

Principal legal changes

There were no significant changes to legislation affecting the Commission during the reporting period.

Litigation

The Commission was involved in the following active litigation matters during the reporting period.

1. *South Eastern Sydney Local Health District v Clarke*. The defendant in these NSW Court of Appeal proceedings (which did not involve the Commission) sought to join the Commission and other agencies to the proceedings. Her Notice of Motion was dismissed on 15 March 2021. On 7 April 2021, the defendant filed a further Notice of Motion in the NSW Court of Appeal seeking to join the Commission and a Commission officer to the proceedings. This Notice of Motion was dismissed on 13 May 2021.

2. *Christopher v ICAC*. In October 2020, Mr Christopher made an application under the *Government Information (Public Access) Act 2009* ("the GIPA Act") for access to documents evidencing communications between Commission officers and various others (including members of Parliament (MPs), staff or employees of MPs, the ICAC Inspector, officers of the NSW Supreme Court and journalists) concerning the Independent Commission Against Corruption Amendment Bill 2015 and the *Independent Commission Against Corruption Amendment (Validation) Act 2015* or the matters the subject of that legislation. The application was determined as not being a valid application on the basis that it sought access to excluded information (s 43(1) of the GIPA Act), being information relating to the Commission's investigative and corruption prevention functions.

Mr Christopher filed an application for review by the NSW Civil and Administrative Tribunal (NCAT). The matter was heard on 15 April 2021. The NCAT decision has been reserved.

Complaints against Commission officers

Complaints concerning alleged misconduct of Commission officers may be made directly to the Inspector of the ICAC or to the Commission. The Commission's memorandum of understanding with the Inspector provides that the Commission will notify the Inspector of complaints against Commission officers that come within the Inspector's functions. The Inspector may decide to investigate complaints directly or ask the Commission to undertake an investigation and report its findings to him or her.

The Executive Director, Legal, is responsible for advising the Chief Commissioner with respect to complaints of misconduct dealt with by the Commission.

In 2020–21, the Commission received one complaint concerning the conduct of a Commission officer.

The matter involved an allegation by a person, who had made substantially the same complaints in 2016 and 2020 under s 10 of the ICAC Act, of suspected corrupt conduct, that the Commission officer involved in assessing those complaints had not acted "appropriately" and had demonstrated "negligent judgment". In both instances, the

Commission's Assessment Panel declined to investigate the s 10 complaint. A review of each of the s 10 complaints showed that, in each case, the report by the assessing officer accurately reflected the complaint and the analysis of the complaint and the recommendations to the Commission's Assessment Panel were appropriate. In these circumstances, the Commission considered the allegation to be entirely unfounded.

The Inspector of the ICAC was informed about this matter at the time it arose, the conclusions reached by the Commission and the bases for those conclusions.

Privacy and personal information

The *Privacy and Personal Information Protection Act 1998* ("the PPIP Act") provides for the protection of "personal information" and for the protection of the privacy of individuals generally.

The PPIP Act sets out a number of information protection principles. They apply to the Commission only in connection with the exercise by the Commission of its administrative and educative functions.

As required by the PPIP Act, the Commission has a privacy management plan. The plan sets out how the Commission complies with the principles and requirements of the PPIP Act and, in so far as the Commission holds any health information, the *Health Records and Information Privacy Act 2002*. The plan can be accessed from the Commission's website at www.icac.nsw.gov.au or by contacting the Commission directly.

The Commission operated in accordance with its privacy management plan in the reporting period.

No reviews were required or conducted under Part 5 of the PPIP Act during the reporting period.

Access to information

The *Government Information (Public Access) Act 2009* ("the GIPA Act") facilitates public access to information held by government agencies, including the Commission.

The GIPA Act requires agencies to make "open access information" publicly available on an agency's website. The Commission's open access information is available from its website at www.icac.nsw.gov.au.

The GIPA Act provides for the making of access applications for information held by an agency. The GIPA Act provides, however, that a valid access application cannot be made for access to information held by the Commission relating to its corruption prevention, complaint-handling, investigative or report-writing functions. It also provides that it is to be conclusively presumed that there is an overriding public interest against disclosure of other information, the disclosure of which is prohibited by the ICAC Act.

Section 125 of the GIPA Act requires agencies to report on the agency's obligations under the GIPA Act. The Commission's report is set out in Appendix 8.

Report publicly about the work of the Commission

Section 76 of the ICAC Act requires the Commission to report on its operations for each year ending on 30 June and to furnish that report to the Presiding Officer of each House of Parliament. The section provides that the report shall include the following:

- a description of the matters that were referred to the Commission
- a description of the matters investigated by the Commission
- the time interval between the lodging of each complaint and the Commission deciding to investigate the complaint
- the number of complaints commenced to be investigated but not finally dealt with during the year
- the average time taken to deal with complaints and the actual time taken to investigate any matter in respect of which a report is made
- the total number of compulsory examinations and public inquiries conducted during the year
- the number of days spent during the year in conducting public inquiries
- the time interval between the completion of each public inquiry conducted during the year and the furnishing of a report on the matter
- any recommendations for changes in the laws of the state, or for administrative action, that the Commission considers should be made as a result of the exercise of its functions
- the general nature and extent of any information furnished under the ICAC Act

by the Commission during the year to a law enforcement agency

- the extent to which its investigations have resulted in prosecutions or disciplinary action in that year
- the number of search warrants issued by authorised officers and the ICAC Commissioner respectively
- a description of its activities during that year in relation to its educating and advising functions.

This information is included in this publication.

In addition to its annual report, the Commission also publishes its investigation reports and a number of corruption prevention and research publications. These are all available from the Commission's website at www.icac.nsw.gov.au.

Public inquiries

During the reporting period, public inquiries for operations Keppel, Witney and Paragon were commenced. In each case, the Commission developed a protocol outlining mitigation strategies for known COVID-19 risks. Given the limited capacity of the Commission's hearing and media rooms, in light of the need to ensure appropriate physical distancing, and the time needed to complete COVID-19 screening arrangements, the Commission decided that members of the public and the media would not be given access to the Commission's premises for the purpose of observing the public inquiries. Members of the public and the media were, however, able to observe the public inquiry through live streaming and were able to access transcripts and exhibits through the Commission's website.

In Operation Keppel, the Commission is investigating allegations that, from 2012 to August 2018, Daryl Maguire, then NSW member of Parliament for Wagga Wagga, engaged in conduct that involved a breach of public trust by using his public office, involving his duties as a member of the NSW Parliament, and the use of parliamentary resources, to improperly gain a benefit for himself and/or entities close to him. These entities included G8wayinternational and associated persons. The public inquiry commenced on 21 September 2020.

In Operation Witney, the Commission is investigating allegations that, between 26 March 2011 and 6 February 2018, John Sidoti MP, state member for Drummoyne, improperly influenced another person, or persons, to dishonestly or partially exercise any

of their official functions in respect of (1) advancing amendments to development controls affecting land between Second Avenue and Barnstaple Road on Waterview Street, Five Dock, and/or (2) any rezoning of the land and/or any proposals to develop the land situated at 120, 122 and 124 Great North Road, Five Dock, and 2 Second Avenue, Five Dock.

The Commission is also examining whether, between 30 June 2011 and 30 June 2019, Mr Sidoti engaged in a breach of public trust by failing to make a number of pecuniary interest disclosures contrary to his obligations to do so under the Constitution (Disclosures by Members) Regulation 1983, the NSW Parliament Code of Conduct for Members and the Ministerial Code of Conduct. The public inquiry commenced on 29 March 2021.

In Operation Paragon, the Commission is investigating an allegation that, between 2009 and June 2019, Alexandre Dubois and Craig Steyn, then employees of Roads and Maritime Services (RMS) partially and/or dishonestly exercised their official functions by awarding in excess of \$41 million in RMS contracts to companies with which they were associated, in exchange for receiving benefits. The public inquiry commenced on 10 May 2021.

Investigation and special reports

Under the ICAC Act, the Commission is required to prepare reports on matters referred by both Houses of the NSW Parliament and on matters involving public inquiries. The Commission can also produce public reports without conducting a public inquiry. These reports are furnished to the Presiding Officer of each House of Parliament who arrange for the reports to be tabled in Parliament. Each Presiding Officer has the discretion to make Commission reports public immediately on presentation.

In 2020–21, the Commission furnished five investigation reports to the Presiding Officers. These reports were immediately made public.

The time interval between the completion of the relevant public inquiry and the furnishing of the report are set out in Table 22.

Section 75 of the ICAC Act provides that the Commission may, at any time, make a special report to the Presiding Officer of each House of Parliament on any administrative or general policy matter relating to the functions of the Commission.

On 6 November 2020, the Commission furnished to the Presiding Officers its second special report,

Table 22: Time interval between completion of each public inquiry and furnishing of the report – s 76(2)(ba)(vi) of the ICAC Act

Public inquiry	Date public inquiry complete*	Date investigation report furnished to Presiding Officers	Days from end of public inquiry to furnishing of report**
Investigation into the alleged corrupt practices of a headlease coordinator at the NSW Department of Family and Community Services (Operation Cygnet) (no public inquiry)	20/3/20	27/8/20	160
Investigation into complaints of corruption in the management of water in NSW and systemic non-compliance with the <i>Water Management Act 2000</i> (Operation Avon) (no public inquiry)	18/6/20	27/11/20	162
Investigation into the conduct of councillors of the former Canterbury City Council and others (Operation Dasha) (88-day public inquiry)	25/10/19	22/3/21	514
Investigation into the conduct of a Service NSW officer (Operation Mistral) (no public inquiry)	22/3/21	11/5/21	50
Investigation into the regulation of lobbying, access and influence in NSW (Operation Eclipse) (7-day public inquiry)	18/2/20	22/6/21	490

* The Commission considers a public inquiry to be complete as at the date of receipt of final submissions from parties who are granted leave to appear at the public inquiry.

** The corporate goal is two months (60 days), where the duration of the public inquiry was five or less days and three months (90 days) otherwise.

A parliamentary solution to a funding model for the ICAC. The report was immediately made public.

This report was intended to be read together with the Commission's first special report published in May 2020, *The need for a new independent funding model for the ICAC*, which addressed the inconsistency of the current funding model with the Commission's independence and proposed a new independent funding model in accordance with recommendations made previously by the Commission, the Parliamentary Committee on the ICAC and the Inspector of the ICAC.

The November 2020 special report noted that, with the tabling in Parliament of the NSW Auditor-General's special report on 20 October 2020, *The effectiveness of the financial arrangements and management practices in four integrity agencies*, there was an urgent need for an exercise of the NSW Parliament's

role and authority in implementing, as a matter of high public importance, a new funding model that ensures the Commission is properly funded by a mechanism that is independent of Executive Government control. In particular, it noted that:

There is now a solid and uncontradicted body of legal and Auditor-General opinion that establishes the current approach to determining the annual funding for the ICAC threatens its independent status. In this respect the current funding model fails to recognise and acknowledge the ICAC's role and its functions as the State's anti-corruption agency and the fact that it and its role and functions are entirely different in law and in operation to those of Government departments and agencies. The system for managing public funds in the public sector is appropriate for departments and agencies that are responsible to Ministers but is not at all appropriate for the

ICAC which, as noted above, is not responsible to any Minister, is independent of the public sector, has the coercive powers of a standing Royal Commission and by its statutory jurisdiction may, in appropriate circumstances, investigate any elected or appointed public official. Its jurisdiction, in particular, is potentially exercisable over any member of the Executive Government including those involved in its funding decisions.

The report sought the response of the NSW Parliament to the issues identified in both special reports by exercising its role and authority to implement a new funding model that ensures the Commission is properly funded by a mechanism independent of Executive Government control.

Other publications

The Commission published its *Annual Report 2019–2020* on 27 October 2020.

In September 2020, the Commission published *Dealing with corruption, fraud and the ICAC: the role of public sector audit and risk committees*. This paper is intended to help guide audit and risk committees on their role in dealing with corruption, fraud and the Commission.

In January 2021, the Commission published *Fraud and corruption control policy guidance* and *Sample fraud and corruption control policy*. These publications provide advice on developing a fraud and corruption control policy, and a sample policy that can be used by NSW public sector agencies to help them develop or refine their own policies.

The Commission also met its target of producing two editions of the *Corruption Matters* e-newsletter. One was published on 14 December 2020 and the other on 16 June 2021. This publication raises awareness in the public sector and the wider community about corruption-related matters and the Commission's activities.

During the reporting period, the number of external visitor sessions to the Commission's website at www.icac.gov.au was 971,599.

Corrupt conduct findings and recommendations for prosecution/disciplinary action

In 2020–21, the Commission made corrupt conduct findings against seven people.

The Commission refers briefs of evidence to the Director of Public Prosecutions (DPP) for consideration of prosecution action. The DPP then advises the Commission whether prosecution proceedings are warranted.

In 2020–21, the Commission recommended the advice of the DPP be obtained in relation to the prosecution of nine people for various criminal offences.

The Commission also recommended that consideration be given to the taking of disciplinary action against one person.

Appendix 7 provides further details on the progress of prosecutions resulting from Commission investigations.

Chapter 6: Our organisation

Human resources, risk management and corporate administration	59
Finance	61
Internal committees	62
Information management and technology	64

In 2020–21, the Commission employed an average of 118.59 full-time equivalent (FTE) officers and Commissioners across its eight functional areas. At the end of the reporting period, of the 130 officers and Commissioners (head count) engaged at the Commission, there were three Commissioners (the full-time Chief Commissioner and two part-time Commissioners) and 108 officers were employed on a permanent basis, 14 on a temporary basis, and five in fixed-term positions comparable to the NSW Senior Executive Bands. The three Commissioners are appointed by the Governor-in-Council on fixed five-year terms and their remuneration is set by their instrument of appointment.

Additionally, the ICAC Act authorises the Governor of NSW, with the concurrence of the Chief Commissioner, to appoint Assistant Commissioners when required. In July 2020, the Hon Ruth McColl AO SC was appointed Assistant Commissioner to assist the Commission with Operation Keppel.

Human resources, risk management and corporate administration

Policies and procedures

The Commission is committed to good governance and complying with the ICAC Award and legislative requirements. To enhance the Commission's governance and performance, there is ongoing review and update of Commission-wide policies

aligned to the Commission's Compliance and Policy Monitoring Register. The Audit and Risk Committee (ARC) periodically monitors this register.

All updated policies are endorsed by the Commission's Executive Management Group (EMG), of which the Chief Commissioner is a member, following consultation with the Commission Consultative Group (CCG) and/or Work Health and Safety (WHS) Committee, where relevant.

A review of the following policies and procedures was completed during this reporting period:

- capitalisation of expenditure on property, plant and equipment policy
- risk management policy
- speaking engagements policy
- procurement policy and procedures
- managing risks to the health and safety of those involved in investigations
- managing unreasonable complainant conduct policy.

Additionally, a project to review a significant number of human resources and work health and safety policies commenced in 2020–21 and will continue into 2021–22.

Learning and development

During the reporting period, learning and development opportunities were made available to staff to maintain or increase their skills and knowledge and to build high performance.

Table 23: Average full-time equivalent (FTE) staff numbers by division/section

Division/Section	2020–21	2019–20	2018–19	2017–18	2016–17	2015–16
Executive	3	3	3	1.18	1	4.9
Communications & Media	3.99	3.94	3.91	3.91	3.97	3.2
Executive Support	4.78	4.18	2.93	3.27	2.53	–
Corporate Services	17.97	17.47	17.05	17.55	18.34	17.6
Corruption Prevention	15.09	14.41	14.64	13.61	11.61	17.0
Legal	10.69	11.11	10.09	10.43	8.78	10.7
Investigation	50.82	49.19	50.91	44.47	41.84	48.2
Assessments	12.25	11.61	10.97	10.54	10	12.7
Total	118.59	114.91	113.5	104.96	98.07	114.3

The Commission's learning environment addresses six core streams of skill and knowledge development: (1) information technology (IT), (2) risk management, (3) project management, (4) organisational management, (5) leadership and management, and (6) technical skills.

In 2020–21, staff participated in learning activities across a broad range of skill and knowledge areas including:

- information technology (both general and specialised applications)
- leadership and interpersonal communication
- investigations, surveillance and intelligence skills
- finance and payroll
- risk management
- mental health and wellbeing
- work health and safety including first aid
- procurement.

A shift to online learning saw staff participating in a larger number of remote workshops and presentations including investigative skills, legal training, work health and safety and communication skills.

In 2020–21, there were 267 staff attendances at formal learning activities. On average, each staff member participated in 12.5 hours of formal development (including conferences, seminars, structured and online training) during the year.

During the reporting period, the Commission rolled out a learning management system (LMS) to provide increased access to structured, tailored and timely learning processes for all Commission officers. In the first year, this enabled access to generic learning programs, as well as mandatory Commission-specific modules on information security awareness. The LMS will be enhanced in 2021–22 to include learning content targeted to staff at induction.

Development opportunities also arose for staff to undertake higher duties and temporary appointments within the Commission, as well as secondments to NSW, Australian Capital Territory and Commonwealth government organisations.

Conditions of employment, movement in salaries and allowances, and industrial relations

The Commission is party to an industrial award, negotiated with the Public Service Association (PSA) of NSW, that documents the conditions of employment and the rights and obligations of management and staff. This award is known as the Independent Commission Against Corruption Award.

During 2020–21, the Commission was part of the multi-organisation dispute with the PSA and other related employee associations. The outcome of this dispute was a variation to the Independent Commission Against Corruption Award 2019, which included a 0.3% increase for non-executive staff effective from 1 July 2019. The increase also applied to salary-based allowances, including the Associate Allowance, the Community Language Allowance and the First Aid Allowance.

The Statutory and Other Offices Remuneration Tribunal (SOORT) did not provide an increase for senior executive staff or the Commissioners in 2020–21.

Staff performance management

The Commission has a structured performance management system based on position accountabilities and corporate objectives that are drawn from the Commission's strategic and business plans. Core performance accountabilities addressed in performance agreements include quality, operational effectiveness, people and communication, and growth.

Performance agreements set the framework for ongoing and regular feedback and communication between managers and staff. All permanent and temporary staff develop a performance agreement that is reviewed on an annual cycle.

The performance management system aligns with the financial year, with new performance agreements developed in July and reviews undertaken in June. It also addresses incremental salary progression. Performance agreements contain a learning and development component, which addresses corporate, positional and individual learning needs.

Both staff and their managers complete and review performance agreements online through the Commission's Employee Self Service (ESS) system.

In June 2019, the Commission's internal auditors undertook a review of its performance management system and made recommendations as to how the system could be enhanced. As a result of this, the Commission is examining the performance management processes, with a cross-organisational working group investigating and considering options for improvement.

Risk management

During 2020–21, the Commission continued to review and update its risk management processes to reflect the recommendations and outcomes of an internal audit conducted of its risk management framework in 2018–19. During the reporting period, a new risk management policy and corporate risk register were developed.

The Commission's Crisis Management Plan provides guidance for the management of Commission business following a critical incident. The plan will be updated to reflect risks arising from the COVID-19 pandemic.

The ARC and the Senior Leadership Forum oversee the Commission's risk management processes. The ARC also monitors the implementation of any recommendations made by the Commission's independent internal auditors as part of their ongoing assurance role.

During 2019–20 and 2020–21, risk assessments of all Commission activities were undertaken in response to the growing COVID-19 pandemic, in order to ensure both the efficient and safe continuation of Commission processes and functions. Modifications to the office, the hearing rooms and the conduct of off-site investigative activities were made in response to these assessments. Commission protocols were developed in consultation with NSW Health.

The Commission is highly focused on its site security as part of its risk management strategy. This includes an integrated electronic access control and electronic surveillance security system, and physical security being overseen by special constables from NSW Police.

Hazard and injury reports

During the reporting period, three workplace injuries were reported. There was one new workers compensation claim during the year. At the conclusion of 2020–21, there were three active workers compensation matters.

Table 24: Hazards and injuries reported and risks controlled

Reporting period	Number of hazards reported	Number of injuries reported	Risks controlled to an acceptable level
2017–18	4	6	Yes
2018–19	1	4	Yes
2019–20	1	6	Yes
2020–21	0	3	Yes

Security vetting

Prior to being employed or engaged by the Commission, all staff and contractors undergo a rigorous security clearance process. The Commission adopts a vetting process involving a regime of background checks and analysis to make suitability assessments. The vetting process is an important element of the risk management strategy to support the integrity and confidentiality of Commission operations and activities.

In the 2020–21 reporting period, 50 security checks were conducted. This included vetting of permanent and temporary staff as part of the Commission's employment screening regime as well as security checks conducted prior to the engagement of contractors.

The Commission has also applied for, and obtained, Commonwealth-level national security clearances from the Australian Government Security Vetting Agency (AGSVA) for four Commission officers, and accepted sponsorship of an additional three officers upon their commencement at the Commission. The Commission is working closely with AGSVA to conduct further staff clearances.

All Commission staff are briefed on security and risk management issues at the commencement of their employment. Periodic reminders and refreshers are also issued.

Finance

The Finance Unit played a significant role in the development of the Commission's case for additional funding in the budget submissions to NSW Treasury, which was supported by the KPMG workforce review

recommending further investment to right-size the workforce. This resulted in the Commission's baseline funding levels being reinstated in 2020–21. In addition, the unit made a significant contribution to the preparation and development of the Commission's proposed new funding model submission via a section 75 report tabled to the Parliamentary Committee on the ICAC and NSW Parliament.

The unit deployed specialised financial accounting software to improve its efficiency in preparing financial statements and continually strives to automate manual processes and systems, where possible. The finance software application system (SUN) was also upgraded to the latest version during the reporting period.

Internal committees

The Commission facilitates a variety of operational and corporate committees to ensure that it maintains and improves its internal governance infrastructure. The role of the three principal internal governance committees – the Investigation Management Group, the Executive Management Group, and the Prevention Management Group – is to assist the Commission to meet its compliance and accountability obligations, as outlined in Chapter 5.

The Senior Leadership Forum, which comprises the Chief Executive Officer and executive directors, aims to oversee the day-to-day administrative functions of the Commission through policy review, key financial and risk management functions, and miscellaneous administrative activities.

The Commission has in place a range of internal management and staff committees to facilitate good governance. These committees meet on a regular basis, in line with each committee's terms of reference.

Commission Consultative Group

Under the ICAC Award, the Commission Consultative Group (CCG) is the formal mechanism for consultation and communication between staff and management on matters of policy and procedure. The CCG was established consistent with the terms of the ICAC Award and meets every two months.

In the reporting period, the CCG was referred a range of policies for review and comment.

Work Health and Safety Committee

The Commission's Work Health and Safety Committee is a mechanism for consultation on health, safety and relevant risk matters between senior management and employees. The committee is also responsible for advising on access and equity issues within the Commission. The committee reviews policies, practices and plans associated with health and safety, wellbeing, access and equal employment opportunity. It also conducts regular workplace inspections and facilitates the resolution of safety issues. See Appendix 11.

Audit and Risk Committee (ARC)

The main aim of the ARC is to provide independent assurance to the Accountable Authority of the Commission, being the Chief Executive Officer, by overseeing and monitoring the Commission's governance, risk and control framework, and its external accountability requirements. The committee also monitors progress on agreed management actions arising out of recommendations made by the Commission's independent internal auditor.

In 2020–21, the internal auditor conducted a review of the Commission's end-to-end payroll and assessments processes. In May 2021, a review also commenced of the Commission's key financial controls. The completed internal auditor reports contained several recommendations designed to improve operational efficiencies, strengthen internal controls and enhance key quality assessments assurance activities. A final report on key financial controls is expected in mid-August 2021.

Five meetings were held by the ARC during the year.

Insurance activities

The NSW Treasury Managed Fund (TMF) provides insurance cover for all of the Commission's activities. This includes workers compensation, motor vehicle, public liability, property and miscellaneous claims. During the reporting period, the workers compensation deposit premium increased by \$19,757 (16%), while the remaining deposit premiums also increased by \$935,129 (1913%). The latter increase was due to a change to the methodology applied and risks evaluation thereof by Icare in calculating premiums. The significant increase in such premiums has been funded by NSW Treasury.

Internal Audit and Risk Management Attestation Statement for the 2020-2021 Financial Year for the Independent Commission Against Corruption

I, Philip Reed, Accountable Authority of the Independent Commission Against Corruption (ICAC), am of the opinion that the ICAC has internal audit and risk management processes in operation that are compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

Core requirements		Compliant, non-Compliant
Risk Management Framework		
1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency	compliant
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate to the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	compliant
Internal Audit Function		
2.1	The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and for purpose.	compliant
2.2	The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	compliant
2.3	The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	compliant
Audit and Risk Committee		
3.1	The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	compliant
3.2	The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'	compliant

Membership

The independent chair and members of the Audit and Risk Committee are:

- Independent Chair- Mr Robert Smith appointed 1 September 2016 to 31 August 2020 and extended to 31 August 2021, Independent Member from 1 September 2021 to 31 August 2024
- Independent Member – Ms Diana D'Ambra-appointed from 1 July 2018 to 30 June 2022
- Independent Member- Mr Arthur Diakos appointed 1 September 2020 to 31 August 2021 and Chair to 31 August 2025.



Philip Reed
Chief Executive Officer
Independent Commission Against Corruption
3 August 2021



Andrew Koureas
Chief Audit Executive
Independent Commission Against Corruption
3 August 2021

Information management and technology

Information technology upgrades

During the reporting period, several high-impact IT projects were undertaken to:

- provide hybrid “in the office” and “work-from-home” solutions for Commission staff to meet COVID-19 social-distancing protocols and return to the office requirements
- redevelop information security policies
- implement an online security awareness system
- replace specific IT systems to accommodate new updates and versions
- provide a security compliance roadmap to meet NSW Cyber Security Policy requirements
- replace storage and server computer infrastructure for all internet facing systems
- ensure all email is secure and provide whole-of-Commission search capability via email journaling.

In 2020–21, projects were commenced for security compliance with the NSW Cyber Security Policy, the replacement of Hearing Room technology, and telephony systems upgrade to improve mobility.

The major projects completed were the Commission’s deployment of laptops to enable work-from-home arrangements, Hearing Room improvements to allow off-site attendance, and conference and meeting room improvements to allow online meetings. Other projects completed were minor and related to peripherals, such as upgrades for mobile devices and off-the-shelf software.

Information security

The Commission is strongly committed to information security and has approved funding for 2021–22 to enhance its systems.

To this end, the Commission has developed a program of work to meet compliance with the NSW Government Cyber Security Policy. The Commission’s program in response to this policy, including implementation of the Essential 8 controls, is based on continuous improvement of the Commission’s security position and, subject to further funding beyond 2021–22, is expected to continue for two years.

Application services

The Applications Services Group has continued its implementation of a number of initiatives. It has provided technical solutions with in-house applications development, technical assistance on data management, business analysis and process improvement on application systems, and undertaken continued improvement to the case management application.

This small group has delivered an in-house COVID-19 registration system and significant upgrades to the Commission’s finance system.

New projects

The following key projects are planned for 2021–22:

- intranet upgrade and forms development
- case management enhancements and upgrades
- cyber security and Essential 8 compliance
- replacement of Hearing Room technology
- records management and case management system upgrades
- data loss prevention and file activity audit capability.

Cyber Security Annual Attestation Statement for the 2020–2021 Financial Year for NSW Independent Commission Against Corruption

I, Philip Reed, am of the opinion that the NSW Independent Commission Against Corruption has managed its cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy.

Due to the unavailability of adequate funding resources during the reporting period, the Commission has had limited capacity to progress the planned improvements to its Cyber Security compliance. The Commission is currently seeking funding for 2021–2024 via the Digital Restart Program to overcome this funding gap and enable the planned enhancements to its cyber security compliance and remediate residual cyber security risks and control gaps.

Additionally, the Commission has made some provision in its allocated budget to enable significant cyber security improvements to be implemented throughout 2021–22.

The risks to the information and systems of NSW Independent Commission Against Corruption have been assessed and are being managed.

Governance is in place to manage the cyber-security maturity and initiatives of the Commission.

The Commission has developed a cyber incident response plan and has actioned the plan on several occasions during the previous 12 months and will formally test the plan during 2021–2022 in compliance with NSW Government Cyber Security Policy.

An independent audit of the Commission's effectiveness of security controls and reporting against the mandatory requirements of the NSW Cyber Security Policy was undertaken by Security Centric. The audit found the Commission's controls to be adequate or were being properly addressed in a timely manner.



Philip Reed
Chief Executive Officer
Independent Commission Against Corruption
04/08/2021

Financials

Statement of comprehensive income for the year ended 30 June 2021	71
Statement of financial position as at 30 June 2021	72
Statement of changes in equity for the year ended 30 June 2021	73
Statement of cash flows for the year ended 30 June 2021	74
Notes to and forming part of the financial statements for the year ended 30 June 2021	75

Statement by Chief Executive Officer

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* ("the GSF Act"), I state that these financial statements:

1. have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the Government Sector Finance Regulation 2018 and the Treasurer's directions, and
2. present fairly the Independent Commission's Against Corruption financial position, financial performance and cash flows.



Philip Reed
Chief Executive Officer

10 September 2021



INDEPENDENT AUDITOR'S REPORT

Independent Commission Against Corruption

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the Independent Commission Against Corruption (the Commission), which comprise the Statement by Chief Executive Officer, the Statement of Comprehensive Income for the year ended 30 June 2021, the Statement of Financial Position as at 30 June 2021, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of Significant Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the Government Sector Finance Regulation 2018 (GSF Regulation) and the Treasurer's Directions
- presents fairly the Commission's financial position, financial performance and cash flows.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the financial statements' section of my report.

I am independent of the Commission in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

The Chief Executive Officer's Responsibilities for the Financial Statements

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulations and Treasurer's Directions. The Chief Executive Officer's responsibility also includes such internal control as the Chief Executive Officer determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the Commission's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Commission carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Jan-Michael Perez
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

14 September 2021
SYDNEY

This page is intentionally blank

Statement of Comprehensive Income for the year ended 30 June 2021

	Notes	Budget 2021 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Continuing operations				
Expenses excluding losses				
Employee-related expenses	2(a)	19,747	19,415	19,190
Operating expenses	2(b)	6,835	5,828	4,395
Depreciation and amortisation	2(c)	4,002	3,190	4,081
Finance costs	2(d)	295	211	310
Total expenses excluding losses		30,879	28,644	27,976
Revenue				
Appropriations	3(a)	30,814	28,251	24,899
Grants and contributions	3(b)	–	–	2,500
Acceptance by "The Crown in the right of the state of New South Wales" of employee benefits and other liabilities*	3(c)	314	717	815
Other income	3(d)	26	3	36
Total Revenue		31,154	28,971	28,250
Gain/(loss) on disposal	4	–	–	(211)
Net result	16	275	327	63
Other comprehensive income		–	–	–
Total other comprehensive income		–	–	–
Total comprehensive income		275	327	63

* "The Crown in the right of the State of New South Wales" is shortened to the "Crown" in the remainder of these financial statements.

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2021

	Notes	Budget 2021 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Assets				
Current Assets				
Cash and cash equivalents	5	2,820	2,458	1,917
Receivables	6	955	955	821
Total Current Assets		3,775	3,413	2,738
Non-Current Assets				
Receivables	6	–	198	66
Property, plant and equipment	7			
– Land and buildings		–	43	106
– Plant and equipment		2,539	1,484	1,447
Total property, plant and equipment		2,539	1,527	1,553
Right-of-use assets	8	19,076	11,525	12,754
Intangible assets	9	766	592	799
Total Non-Current Assets		22,381	13,842	15,172
Total Assets		26,156	17,255	17,910
Liabilities				
Current Liabilities				
Payables	10	514	528	447
Lease liabilities	8, 11	3,164	2,124	2,364
Provisions	12	1,171	2,795	2,430
Total Current Liabilities		4,849	5,447	5,241
Non-Current Liabilities				
Lease liabilities	8, 11	18,799	9,744	10,944
Provisions	12	2,540	1,292	1,281
Total Non-Current Liabilities		21,339	11,036	12,224
Total Liabilities		26,187	16,483	17,465
Net Assets		(31)	772	445
Equity				
Accumulated funds		(31)	772	445
Total Equity		(31)	772	445

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2021

	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance at 1 July 2020	445	–	445
Net result for the year	327	–	327
Other comprehensive income	–	–	–
Total other comprehensive income	–	–	–
Total comprehensive income for the year	327	–	327
Balance at 30 June 2021	772	–	772
Balance at 1 July 2019	383	–	383
Net result for the year	63	–	63
Other comprehensive income	–	–	–
Total other comprehensive expense	–	–	–
Total comprehensive income for the year	63	–	63
Balance at 30 June 2020	445	–	445

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2021

	Notes	Budget 2021 \$'000	Actual 2021 \$'000	Actual 2020 \$'000
Cash flows from operating activities				
Payments				
Employee related		19,433	18,215	17,962
Suppliers for goods and services		6,835	7,124	5,233
Finance costs		295	279	–
Total Payments		26,563	25,654	23,196
Receipts				
Appropriation	3(a)	30,814	28,251	24,899
Sale of goods and services		–	8	(47)
Grants and other contributions	3(b)	–	–	2,500
Other		26	656	27
Total Receipts		30,840	28,915	27,379
Net cash flows from operating activities	16	4,277	3,261	4,183
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		–	–	(211)
Purchase of property, plant and equipment and intangible assets		(1,145)	(710)	(575)
Other		571	–	–
Net cash flows from investing activities		(574)	(710)	(786)
Cash flow from financing activities				
Payment of principal portion of lease liabilities		(2,800)	(2,010)	(1,508)
Net cash flows from financing activities		(2,800)	(2,010)	(1,508)
Net increase/(decrease) in cash and cash equivalents		903	541	1,889
Opening cash and cash equivalents		1,917	1,917	28
Closing cash and cash equivalents	5	2,820	2,458	1,917

The accompanying notes form part of these financial statements.

Notes to and forming part of the financial statements for the year ended 30 June 2021

1. Statement of Significant Accounting Policies

a. Reporting entity

The Independent Commission Against Corruption ("the Commission") is constituted by the *Independent Commission Against Corruption Act 1988* ("the ICAC Act"). The main objective of the Commission is to minimise corrupt activities and enhance the integrity of NSW public sector administration.

The Commission is considered a separate Government Sector Finance (GSF) agency under Division 2.2 of the *Government Sector Finance Act 2018* ("the GSF Act"). The Commission is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These financial statements report on all the operating activities under the control of the Commission.

These financial statements for the year ended 30 June 2021 have been authorised for issue by the Chief Executive Officer on 10 September 2021.

b. Basis of preparation

The Commission's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the GSF Act
- Treasurer's Directions issued under the GSF Act.

The COVID-19 virus has resulted in most of the Commission's staff continuing to work from home throughout the financial year, in accordance with government policy and public health orders. This reduced the Commission's activity at the start of the 2020–21 financial year, for approximately three months, resulting in lower expenditure than forecast. As the Commission's debtors are mainly with other government agencies and its assets are recorded at cost, the financial consideration for any changes to expected credit losses and impairments are minimal to the Commission's financial statements in 2020–21. Further, the Commission re-signed its current leased premises in September 2020, resulting in no market impairment to its right-of-use asset.

Property, plant and equipment are initially measured at cost and subsequently measured at fair value less accumulated depreciation and impairment. Considering the short useful lives of the Commission's assets, the measurement of these assets at depreciated historical cost is an acceptable surrogate for fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgments, key assumptions and estimations that management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Commission's presentation and functional currency.

c. Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

d. Going concern

The Commission is a going concern public sector entity. The Commission will receive a parliamentary appropriation and government grants as outlined in the NSW Budget Papers for 2020–21 on an "as needs" basis to supplement the operations of the Commission.

e. Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that the:

Notes to and forming part of the financial statements for the year ended 30 June 2021

- amount of GST incurred by the Commission as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financial activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows.

f. Impairment losses under AASB 9 *Financial Instruments*

The adoption of AASB 9 *Financial Instruments* has changed the Commission's accounting for impairment losses for financial assets by replacing the AASB 139 *Financial Instruments: Recognition and Measurement* – incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Commission to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss.

g. De-recognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the contractual rights to the cash flows from the financial assets expire or if the Commission transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement, and either:

- the Commission has transferred substantially all the risks and rewards of the asset; or
- the Commission has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control.

Where the Commission has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the Commission has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the Commission's continuing involvement in the asset. In that case, the Commission also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Commission has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Commission could be required to repay.

A financial liability is de-recognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the terms of an existing liability and are substantially the same lender on substantially different terms, or modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

h. Equity and reserves

Accumulated funds

The category Accumulated Funds includes all current and prior period retained funds.

i. Trust funds

Section 47 "Seizure pursuant to warrant – special provisions", of the ICAC Act, ensures that property seized as a result, is retained by the Commission for the duration of the investigation. Note 17 shows the financial position of the special account created for this purpose.

Notes to and forming part of the financial statements for the year ended 30 June 2021

j. Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budget amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements is explained in Note 15.

k. Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

l. Changes in accounting policies, including new or revised Australian Accounting Standards

(i) Effective for the first time in 2020–21

The accounting policies applied in 2020–21 are consistent with those of the previous financial year except as a result of the new or revised Australian Accounting Standard that has been applied for the first time in 2020–21:

AASB 1059 *Service Concession Arrangements: Grantors* applies for the first time in 2020–21 but has no impact on the Independent Commission Against Corruption financial statements.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective. The Commission has assessed the potential impact of these new standards as set out in the table.

Standard	Assessment of impact on Commission
AASB 17 <i>Insurance Contracts</i>	Not applicable to the Commission as the Commission does not issue insurance contracts.
AASB 1060 <i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities</i>	Not applicable to the Commission as the Commission does not report under the Reduced Disclosure Requirements framework Tier 2 Entities.
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i> and AASB 2020-6 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</i>	These amendments clarify the definitions of current and non-current liabilities and the Commission considers the impact to be not material.
AASB 2020-3 <i>Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments</i>	The Commission has assessed these broad amendments across areas to either not involve the Commission (AASB 3 <i>Business Combinations</i> , AASB 9 <i>Financial Instruments</i> , AASB 141 <i>Agriculture</i> and IAS 37 <i>Onerous Contracts</i>) or will have an immaterial impact (AASB 116 <i>Property, Plant and Equipment</i> and AASB 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>).
AASB 2020-5 <i>Amendments to Australian Accounting Standards – Insurance Contracts</i>	Not applicable to the Commission as the Commission does not issue insurance contracts.
AASB 2020-7 <i>Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions: Tier 2 Disclosures</i>	Not applicable to the Commission as the Commission does not receive rent concessions, nor report under the Simplified Disclosures framework.
AASB 2020-8 <i>Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2</i>	Not applicable to the Commission as the Commission does not hedge any accounting type of arrangements.
AASB 2014-10 <i>Amendments to Australian Accounting Standards – Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture</i>	Not applicable to the Commission as the Commission does not have investors, associates or joint ventures.

Notes to and forming part of the financial statements for the year ended 30 June 2021

2. Expenses excluding losses

(a) Employee-related expenses	2021 \$'000	2020 \$'000
Salaries and wages (including annual leave)	16,310	15,924
Superannuation – defined benefit plans	112	108
Superannuation – defined contribution plans	1,260	1,202
Long service leave	651	752
Workers compensation insurance	143	123
Payroll tax and fringe benefits tax	874	986
Redundancy	65	95
Employee-related expenses	19,415	19,190
(b) Operating expenses	2021 \$'000	2020 \$'000
Advertising and publicity	1	21
Auditors remuneration		
– audit of the financial statements	31	58
Books and subscriptions	214	203
Cleaning	95	28
Consultants	119	105
Contract security services	241	231
Other Contractors	248	201
Courier and freight	1	–
Disaster Recovery	66	67
Electricity	70	79
External legal fees	1,208	812
Fees for services	205	168
Insurance	985	55
Maintenance	1,005	883
Minor computer equipment/licences	83	174
Variable lease payments, not included in lease liabilities	320	258
Postal	12	9
Printing	12	6
Stores and specialised supplies	170	108
Telephone & telecommunications	233	166
Training	131	55
Transcript fees	170	111
Travelling, air fares, subsistence, taxi and vehicle rental	20	64
Other	188	533
Operating expenses	5,828	4,395

Notes to and forming part of the financial statements for the year ended 30 June 2021

Recognition and Measurement

Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.

Insurance

The Commission's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for government entities. The expense (premium) is determined by the fund manager based on past claim experience.

Lease expense

The Commission recognises the lease payments associated with the following types of leases as an expense on a straight-line basis:

- Leases that meet the definition of short-term, i.e. where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- Leases of assets that are valued at \$10,000 or under when new.

(c) Depreciation and amortisation expenses	2021 \$'000	2020 \$'000
Depreciation		
Building	93	1,122
Right-of-use assets	2,247	2,142
Plant and equipment	495	396
	2,835	3,660
Amortisation		
Software	355	421
Depreciation and amortisation	3,190	4,081

Refer Note 7 for recognition and measurement policies on depreciation and amortisation.

(d) Finance costs	2021 \$'000	2020 \$'000
Interest expense from lease liabilities	211	310
Finance costs	211	310

Notes to and forming part of the financial statements for the year ended 30 June 2021

3. Revenue

(a) Appropriations	2021 \$'000		2020 \$'000	
Summary of compliance				
	Appropriation	Expenditure	Appropriation	Expenditure
Original Budget per Appropriation				
– Appropriation Act	30,814	28,251	24,899	24,899
Total Appropriations/Expenditure/Net Claim on Annual Appropriations	30,814	28,251	24,899	24,899
Amount drawn down against Annual Appropriations	–	28,251	–	24,899
Appropriations (per Statement of Comprehensive Income)	28,251		24,899	
Comprising:				
– Recurrent	27,371		24,099	
– Capital	880		800	

The Summary of Compliance is based on the assumption that annual appropriations monies are spent first (except where otherwise identified or prescribed). “Expenditure” refers to cash payments. The term “expenditure” has been used for payments for consistency with AASB 1058 *Income of Not-for-Profit Entities*.

Recognition and Measurement

Parliamentary Appropriations

Income from appropriations, other than deemed appropriations (of which the accounting treatment is based on the underlying transaction), does not contain enforceable and sufficiently specific performance obligations as defined by AASB 15. Except as specified below, appropriations are recognised as income when the Commission obtains control over the assets comprising the appropriations. Control over appropriations is normally obtained upon the receipt of cash.

Recognition and measurement

Revenue from sale of goods is recognised as when the Commission satisfies a performance obligation by transferring the promised goods/services.

(b) Grants and contributions	2021 \$'000	2020 \$'000
Grant from the Department of Premier and Cabinet		
– Recurrent	–	2,500
– Capital	–	–
	–	2,500

Notes to and forming part of the financial statements for the year ended 30 June 2021

Recognition and Measurement

Income from grants to acquire/construct a recognisable non-financial asset to be controlled by the Commission is recognised when the entity satisfies its obligations under the transfer. Revenue from grants with sufficiently specific performance obligations is recognised as when the Commission satisfies a performance obligation by transferring the promised goods/services. Income from grants without sufficiently specific performance obligations is recognised when the entity obtains control over the granted assets (e.g. cash).

Due to the nature of the Commission, it cannot forecast at the onset and during the budget setting process all of the inquiries that it is required to conduct. As such, to fund any additional inquiries not planned for, the Commission may be supplemented by a grant income from the Department of Premier and Cabinet (DPC). There is no enforceable sufficiently specific performance obligation as defined by AASB 15 *Revenue from Contracts with Customers* for this particular grant income.

(c) Acceptance by the Crown of employee benefits and other liabilities	2021 \$'000	2020 \$'000
The following liabilities and/or expenses have been assumed by the Crown		
Superannuation – defined benefit	104	107
Long service leave	608	702
Payroll tax	5	6
	717	815
(d) Other income		
Other – miscellaneous	3	36

4. Gain/(loss) on disposal

	2021 \$'000	2020 \$'000
Land and building	–	(233)
Written-down value of assets disposed	–	(233)
Less: Proceeds on Disposal	–	22
Gain/(loss) on disposal	–	(211)

Notes to and forming part of the financial statements for the year ended 30 June 2021

5. Current assets – cash and cash equivalents

	2021 \$'000	2020 \$'000
Cash at bank and on hand	2,458	1,917
Total cash and cash equivalents	2,458	1,917

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at bank and short-term deposits with original maturities of three months or less and subject to an insignificant risk of changes in value, and net of outstanding bank overdraft.

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:

	2021 \$'000	2020 \$'000
Cash and cash equivalents (per Statement of Financial Position)	2,458	1,917
Closing cash and cash equivalents (per Statement of Cash Flows)	2,458	1,917

Refer Note 18 for details regarding credit risk and market risk arising from financial instruments.

6. Current/Non-current assets – receivables

	2021 \$'000	2020 \$'000
Trade receivables	14	47
GST	352	240
Prepayments	589	534
	955	821
Prepayments–non-current	198	66
	1,153	887

Recognition and Measurement

All “regular way” purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the timeframe established by regulation or convention in the marketplace.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement

The Commission holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment

The Commission's receivables are subject to an annual review for impairment. These are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

Notes to and forming part of the financial statements for the year ended 30 June 2021

The Commission's receivable assets (predominantly prepayments) are mainly short term (i.e. 12 months or less) and are substantially software licences and TMF insurance payments. Consequently, the Commission has not recognised any impairment of its financial assets.

The Commission recognises an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the Commission expects to receive, discounted at the original effective interest rate.

However, as the Commission did not carry material trade receivables for the period from 1 July 2020 to 30 June 2021, the Commission did not consider it necessary to establish a provision matrix based on its historical credit loss experience for trade receivables.

7. Property, plant and equipment

	Buildings \$'000	Property, plant & equipment \$'000	Total \$'000
At 1 July 2019—fair value			
Gross carrying amount	6,500	5,330	11,830
Accumulated depreciation and impairment	(5,044)	(4,066)	(9,110)
Net carrying amount	1,456	1,264	2,720

Year ended 30 June 2020			
Net carrying amount at start of year	1,456	1,264	2,720
Additions	—	610	610
Disposals	(227)	(5)	(232)
Transfers/adjustments in/out	—	(27)	(27)
Depreciation expense	(1,123)	(396)	(1,518)
Net carrying amount at end of year	106	1,447	1,553

	Buildings \$'000	Property, plant & equipment \$'000	Total \$'000
At 1 July 2020—fair value			
Gross carrying amount	5,013	5,273	10,286
Accumulated depreciation and impairment	(4,907)	(3,827)	(8,733)
Net carrying amount	106	1,447	1,553

Year ended 30 June 2021			
Net carrying amount at start of year	106	1,447	1,553
Purchase of assets	30	532	562
Depreciation expense	(93)	(495)	(588)
Net carrying amount at end of year	43	1,484	1,527

At 30 June 2021—fair value			
Gross carrying amount	102	4,852	4,954
Accumulated depreciation and impairment	(59)	(3,368)	(3,427)
Net carrying amount	43	1,484	1,527

Notes to and forming part of the financial statements for the year ended 30 June 2021

Recognition and Measurement

Acquisitions of property, plant and equipment

Assets acquired are initially recognised at cost. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition. Fair value is the price that would be received to sell an asset in an orderly transaction. Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, that is deferred payment amount, is effectively discounted over the period of credit.

Capitalisation thresholds

The Commission's capitalisation threshold for property, plant and equipment and intangible assets is \$10,000. This means that all property, plant and equipment and intangible assets costing \$10,000 and above individually (or forming part of a network costing more than \$10,000) are capitalised. As a not-for-profit "entity" with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost is also fair value.

Restoration costs

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Consequently, the Commission has recognised a make good provision for the premises it leases at 255 Elizabeth Street, Sydney. Further details at Note 12.

Right-of-use assets acquired by lessees

AASB 16 *Leases* requires a lessee to recognise a right-of-use asset for most leases. The right-of-use asset and corresponding liability are initially measured at the present value of the future lease payments.

Therefore, at that date property, plant and equipment includes amounts for right-of-use assets in respect of leases previously treated as operating leases under AASB 117, as well as any arrangements that are assessed as leases under AASB 16 that were not leases under AASB 117.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the entity obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Further information on leases is contained in Note 8.

Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP14-01). This policy adopts fair value in accordance with AASB 13 *Property, Plant and Equipment*, AASB 116 *Fair Value Management* and AASB 140 *Investment Property*. The asset population of the Commission comprises the right-of-use asset building, plant and equipment such as computers, and motor vehicles. Assets with short useful lives are measured at depreciated historical cost, which for these assets approximates fair value. The Commission has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

Notes to and forming part of the financial statements for the year ended 30 June 2021

Depreciation of property, plant and equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Commission. All material identifiable components of assets are depreciated separately over their shorter useful lives. The useful life of the various categories of non-current assets is in the table below.

	Gross value measurement bases	Depreciation method	Useful life in years	Depreciation life in years
Asset category			2020–21	2019–20
Computer hardware	Purchase price	Straight line	4	4
Plant and equipment	Purchase price	Straight line	5	5
Leasehold improvement assets are depreciated on a straight-line basis at the lesser of six years or the lease term.				

Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. Since plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material. As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.

8. Leases

The Commission leases its premises at 255 Elizabeth Street, Sydney, with Property NSW and 13 motor vehicles, from SG Fleet Australia Pty Ltd. The lease for 255 Elizabeth Street, Sydney, commenced in 2014 and expired on 15 October 2020. The Commission exercised its first option to renew the lease for a further three years commencing 16 October 2020 and it is reasonably certain that it will exercise a second three-year option as well. Property NSW signed the lease in relation to Option 1, on behalf of the Commission, in late September 2020 and final financial commitments are now reflected in the financial statements. The motor vehicles of the Commission are all leased from SG Fleet and are usually for a term of three years with no renewal options.

The Commission has elected to recognise payments for short-term leases and low-value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are assets with a fair value of \$10,000 or less when new. The Commission does not currently lease any low-value assets, these are usually purchased outright.

Right-of-use assets under leases

The following table presents right-of-use assets that are excluded in the carrying amounts of property, plant and equipment at Note 7.

	Land and Buildings \$'000	Motor Vehicles \$'000	Total \$'000
Balance at 1 July 2019	14,815	81	14,896
Depreciation expense	2,120	22	2,142
Balance at 30 June 2020	12,695	59	12,754
Balance at 1 July 2020	12,695	59	12,754
Additions	1,018	–	1,018
Depreciation expense	2,223	24	2,247
Balance at 30 June 2021	11,490	35	11,525

Notes to and forming part of the financial statements for the year ended 30 June 2021

Lease Liabilities

The following table presents liabilities under leases, including leases in respect of investment properties.

	Land and Buildings \$'000	Motor Vehicles \$'000	Total \$'000
Balance at 1 July 2019	14,815	81	14,896
Interest expense	310	1	311
Payments	(1,876)	(22)	(1,898)
Balance at 30 June 2020	13,249	60	13,309
Balance at 1 July 2020	13,249	60	13,309
Additions	629	–	629
Interest expense	211	1	212
Payments	(2,252)	(30)	(2,282)
Balance at 30 June 2021	11,837	31	11,868

The following amounts were recognised in the Statement of Comprehensive Income during the period in respect of leases where the entity is the lessee:

	2021 \$'000	2020 \$'000
Depreciation expense of right-of-use assets	2,247	2,142
Interest expense on lease liabilities	211	310
Expense relating to short-term leases	–	42
Total amount recognised in the Statement of Comprehensive Income	2,458	2,494

The entity had total cash outflows for leases of approximately \$2.5 million in 2020–21 (2019–20: \$2.3 million).

Recognition and Measurement

The Commission assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The entity recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

i. Right-of-use assets

The Commission recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to revaluation and impairment. Refer to accounting policies of Property, Plant and Equipment.

Notes to and forming part of the financial statements for the year ended 30 June 2021

ii. Lease liabilities

At the commencement date of the lease, the entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are discounted using the incremental borrowing rate as provided by NSW Treasury of 1.87%. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and decreased for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The entity's lease liabilities are included in borrowings.

iii. Short-term leases and leases of low-value assets

The Commission applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. The Commission usually purchases low-value assets outright. As at 30 June 2021, there are no leases of low-value assets.

9. Intangible Assets

	Software \$'000	Work in progress \$'000	Total \$'000
At 1 July 2019 – fair value			
Cost (gross carrying amount)	6,063	–	6,063
Accumulated amortisation and impairment	(5,042)	–	(5,042)
Net carrying amount	1,021	–	1,021
Year ended 30 June 2020			
Net carrying amount at start of year	1,021	–	1,021
Additions	98	74	172
Transfers from/to other asset classes	27	–	27
Amortisation	(421)	–	(421)
Net carrying amount at end of year	725	74	799
At 1 July 2020 – fair value			
Cost (gross carrying amount)	2,724	74	2,798
Accumulated amortisation and impairment	(1,999)	–	(1,999)
Net carrying amount	725	74	799
Year ended 30 June 2021			
Net carrying amount at start of year	725	74	799
Additions	19	129	148
Amortisation	(355)	–	(355)
Net carrying amount at end of year	389	203	592
At 30 June 2021 – fair value			
Gross carrying amount	1,841	203	2,044
Accumulated amortisation and impairment	(1,452)	–	(1,452)
Net carrying amount	389	203	592

Notes to and forming part of the financial statements for the year ended 30 June 2021

Recognition and Measurement

The Commission recognises intangible assets only if it is probable that future economic benefits will flow to the Commission and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

The useful lives of intangible assets are assessed to be finite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Commission's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Commission's intangible assets, that is, computer software, are amortised using the straight-line method over four years. Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is recognised as an impairment loss.

	Gross value measurement bases	Amortisation method	Useful life in years	Amortisation life in years
Asset category			2020–21	2019–20
Software	Purchase price	Straight line	4	4

10. Current liabilities – payables

	2021 \$'000	2020 \$'000
Accrued salaries, wages and on-costs	240	169
Accrued expenses – other operating expenses	287	157
Creditors	1	121
Total Current liabilities – payables	528	447

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 18.

Recognition and Measurement

These amounts represent liabilities for goods and services provided to the Commission and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Notes to and forming part of the financial statements for the year ended 30 June 2021

11. Current/non-current liabilities – lease liabilities

	2021 \$'000	2020 \$'000
Current liabilities		
Lease liabilities	2,124	2,364
Total Current liabilities – lease liabilities	2,124	2,364
Non-Current liabilities		
Lease liabilities	9,744	10,944
Total Non-current liabilities – lease liabilities	9,744	10,944

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 18.

Also refer to the “Leases” note for further details on the Lease liabilities for the right-of-use building asset.

12. Current/non-current liabilities – provisions

Current	2021 \$'000	2020 \$'000
Employee benefits and related on-costs		
Annual leave		
Annual leave (includes annual leave loading)	1,754	1,328
Annual leave on-cost	171	110
Payroll tax on annual leave, long service leave (and fringe benefits tax payable)	338	348
Long service leave on-cost	532	644
	2,795	2,430
Non-current	2021 \$'000	2020 \$'000
Employee benefits and related on-costs		
Long service leave on-costs	52	43
Provision for payroll tax on long service leave	25	23
Asset remediation and restoration	1,215	1,215
	1,292	1,281
Aggregate employee benefits and related on-costs	2021 \$'000	2020 \$'000
Provision-current	2,795	2,430
Provision-non-current	77	66
Accrued salaries, wages and on-costs (Note 10)	240	169
	3,112	2,665

Notes to and forming part of the financial statements for the year ended 30 June 2021

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	“Make good” provision \$’000	Total \$’000
Carrying amount at the beginning of the financial year	1,215	1,215
Additional provisions recognised	–	–
Amounts used	–	–
Carrying amount at the end of the financial year	1,215	1,215

Recognition and Measurement

Salaries and wages (including non-monetary benefits) that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 8.4% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Commission has assessed the actuarial advice based on its circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the Commission does not expect to settle the liability within 12 months as the Commission does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Long service leave and superannuation

The Commission’s liabilities for long service leave and defined benefit superannuation are assumed by the Crown. The Commission accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as “Acceptance by the Crown of employee benefits and other liabilities”.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using the Commonwealth government bond rate at the reporting date.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer’s Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees’ salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees’ superannuation contributions.

Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers compensation insurance premiums and fringe benefits tax.

Notes to and forming part of the financial statements for the year ended 30 June 2021

Other provisions – “make good” provision

Other provisions exist when the Commission has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The Commission has a present legal obligation to make good its current accommodation premises at 255 Elizabeth Street, Sydney, and has recognised a provision. This is because it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Management expects that this provision will be realised in five years time, as management has exercised Option 1, which commenced on 16 October 2020 and extends to 15 October 2023. At this point in time, management also expects to exercise Option 2, which is for a further three years from the end of Option 1.

During 2019–20, the Commission reviewed its “make good” provision as the previous one was based on an estimate provided by Property NSW at the commencement of the lease in 2014. A revised estimate was provided by Schiavello Construction (NSW) Pty Ltd and the “make good” provision was adjusted accordingly.

This provision has been reviewed by management and remains unchanged.

As the effect of the time value of money is material, provisions are discounted at 1.87%. (2019–20:1.87%), which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

13. Commitments

Capital Commitments

Aggregate capital expenditure for the acquisition of plant and equipment contracted for at balance date and not provided for:

	2021 \$'000	2020 \$'000
Within one year	486	–
Later than one year and not later than five years	–	–
Later than five years	–	–
Total (including GST)	486	–

14. Contingent liabilities and contingent assets

The Commission does not have contingent liabilities representing potential legal expenses for which the Crown Solicitor is acting on behalf of the Commission as at 30 June 2021 (2019–20: Nil).

The Commission has no contingent assets as at 30 June 2021 (2019–20: Nil).

15. Budget Review

Net result

The net surplus of \$0.327m is \$0.052m higher than the original budgeted net result. Appropriations revenue is down by \$2.56m. This is due to reduced activity in the Commission, particularly at the start of the financial year due to the COVID-19 pandemic. An amount of \$0.92m in funding (\$0.50m in recurrent and \$0.42m in capital) is being carried forward from 2020–21 to 2021–22. Offsetting this, depreciation is \$0.812m favourable compared to the original budget as the re-signing of the Commission’s leased premises resulted in a lower right-of-use asset and associated depreciation, compared to the assumptions used when the original budget was determined.

Notes to and forming part of the financial statements for the year ended 30 June 2021

Assets and liabilities

The largest variances to original budget are in relation to the re-signing of the Commission's leased premises (in September 2020), resulting in a reduction in rent compared to market estimates anticipated 18 months earlier, when the original budget was established for the same period. Compared to the original budget, lease liabilities are \$10.1m favourable (\$1m in current and \$9.1m in non-current) and right-of-use assets are \$7.6m favourable. Similarly comprehensive make good provision assessments were undertaken by industry consultants (Schiavello Pty Ltd), resulting in lower non-current provisions compared to the original budget time estimates. Cash of the Commission as at 30 June 2021 is \$0.362m less than the budgeted \$2.82m primarily due to the Commission's decision not to withdraw the whole 2020–21 recurrent and capital appropriations mentioned above, offset by lower rent payments than expected in the original budget.

Cash flows

The cash balance as at 30 June 2021 of the Commission is \$0.362m lower than that of the budgeted amount of \$2.82m. As outlined above, this is largely due to the Commission's decision not to withdraw the whole 2020–21 recurrent and capital appropriations, partially offset by the carry forward in recurrent operations and capital projects, combined with lower payment of principal portions of lease liabilities.

16. Reconciliation of Cash Flows from operating activities to net result

	2021 \$'000	2020 \$'000
Net cash used on operating activities	3,261	4,183
Depreciation and amortisation	(3,190)	(4,081)
Written down value of asset disposed	–	(211)
Increase/(decrease) in prepayments and receivables	266	126
Decrease/(increase) in provisions and other liabilities	71	(101)
Decrease/(increase) in payables	(81)	147
Net result	327	63

17. Trust Funds – s 47 Division 4A of the ICAC Act

	2021 \$'000	2020 \$'000
(a) s 47 Division 4A of the ICAC Act		
Opening balance as at 1 July	184	287
Deposits	141	–
Less:		
Payments	113	103
Total trust funds as at 30 June	212	184

The above fund does not form part of the Commission's financial statement position.

Notes to and forming part of the financial statements for the year ended 30 June 2021

18. Financial instruments

The Commission's principal financial instruments are outlined on the following pages. These financial instruments arise directly from the Commission's operations or are required to finance the Commission's operations. The Commission does not enter into or trade financial instruments, including derivative instruments, for speculative purposes.

The Commission's main risks arising from financial instruments are outlined, together with the Commission's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout the financial statements.

The Chief Executive Officer has overall responsibility for the establishment and oversight of risk management and reviews and agrees on policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Commission, to set risk limits and controls, and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee/internal audit on a continual basis.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
Class:			2021 \$'000	2020 \$'000
Cash and cash equivalents	5	N/A	2,458	1,917
Receivables ¹	6	Receivables at amortised cost	14	47
Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
Class:			2021 \$'000	2020 \$'000
Payables ²	10	Financial liabilities measured at amortised cost	528	447

¹ Excludes statutory receivables and prepayments (not within scope of AASB 7).

² Excludes statutory payables and unearned revenue (not within scope of AASB 7).

The Commission determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(b) Financial risk

i. Credit risk

Credit risk arises when there is the possibility of the Commission's debtors defaulting on their contractual obligations, resulting in a financial loss to the Commission. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Commission, including cash and receivables. No collateral is held by the Commission. The Commission has not granted any financial guarantees.

Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System.

Notes to and forming part of the financial statements for the year ended 30 June 2021

Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

The Commission applies the AASB 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, a failure to make contractual payments for a period of greater than 30 days past due. The loss allowance for trade receivables as at 30 June 2021 and 2020 was determined as follows:

			30 June 2021 \$'000	
	Current	<30 days	30–90 days	>90 days
Expected credit loss rate				
Estimated total gross carrying amount	7	1	2	2
Expected credit loss	–	–	–	–

			30 June 2020 \$'000	
	Current	<30 days	30–90 days	>90 days
Expected credit loss rate				
Estimated total gross carrying amount	0.2	–	–	–
Expected credit loss	–	–	–	–

The analysis excludes statutory receivables and prepayments, as these are not within the scope of AASB 7.

Therefore, the “total” will not reconcile to the sum of the receivables total in Note 6.

The Commission's trade debtors are predominantly other government agencies holding leave balances of officers transferring to the Commission. The Commission is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2021.

ii. Liquidity risk

Liquidity risk is the risk that the Commission will be unable to meet its payment obligations when they fall due. The Commission continually manages risk through monitoring future cash flows to ensure adequate holding of liquid assets.

During the current and prior year, there were no defaults on any loans payable. No assets have been pledged as collateral. The Commission's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSWTC 11/12. For small business suppliers, where terms are not specified, payment is made no later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise.

Notes to and forming part of the financial statements for the year ended 30 June 2021

For payments to other suppliers, the head of an authority (or a person appointed by the head of an authority) may automatically pay the supplier simple interest. No interest was applied during the year.

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Commission has no exposure to market risk as it does not have borrowings or investments. The Commission has no exposure to foreign currency risk and does not enter into commodity contracts.

iv. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through the Commission's payables. The Commission does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

	2021 \$'000		2020 \$'000	
	-1%	+1%	-1%	+1%
Net Result	—	—	—	—
Equity	—	—	—	—

(c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments.

19. Related Party Disclosures

Compensation for the Commission's key management personnel, is as follows:

	2021 \$'000	2020 \$'000
Short-term employee benefits		
Salaries	1,661	1,647
Post-employment benefits	88	88
	1,749	1,735

Notes to and forming part of the financial statements for the year ended 30 June 2021

20. Non-cash financing and investing activities

During the year, the Commission did not enter into transactions with key management personnel, their close family members and the members of its controlled entities.

Transactions with other entities that are controlled/jointly controlled/significantly influenced by the NSW Government during 2020–21 were:

	2021 \$'000	2020 \$'000
Property NSW (accommodation at 255 Elizabeth Street, Sydney)	2,530	2,300
NSW Police (office security)	235	218
	2,765	2,518

21. Events after the Reporting Period

The impact of the COVID-19 pandemic may continue to result in changes to forecast line item expenditure amounts due to the need to change in work practices, for example inquiries costs may decrease due to the deferral of planned compulsory examinations and public inquiries. The Commission will continue to review the impacts of COVID-19 on the operations of the Commission.

(END OF AUDITED FINANCIAL STATEMENTS)

Appendices

Appendix 1 – Complaints profile	98
Appendix 2 – Public interest disclosures	101
Appendix 3 – Statutory reporting	102
Appendix 4 – Outcomes of matters.....	103
Appendix 5 – Adoption of corruption prevention recommendations.....	104
Appendix 6 – Strategic alliances to optimise investigative outcomes.....	105
Appendix 7 – Prosecution and disciplinary action in 2020–21 arising from ICAC investigations	106
Appendix 8 – Report on the ICAC’s obligations under the <i>Government Information (Public Access) Act 2009</i>	120
Appendix 9 – Commissioners, Chief Executive Officer and executive officers	124
Appendix 10 – Workforce diversity and Multicultural Policies and Services Program.....	126
Appendix 11 – Work health and safety	128
Appendix 12 – Engagement and use of consultants	129
Appendix 13 – Payment performance indicators.....	130
Appendix 14 – Credit card certification	131
Appendix 15 – Overseas travel	131
Appendix 16 – Major works.....	131
Appendix 17 – Witness cooperation policy.....	131

Appendix 1 – Complaints profile

Table 25: Government sectors that were subject to matters received in 2020–21

Government sector	Section 10 complaints (s 10s)		Section 11 reports (s 11s)		Other types of matters (OMs)		Total for all matters	
	Number of s 10s	% of s 10s	Number of s 11s	% of s 11s	Number of OMs	% of OMs	Number of matters	% of matters
Aboriginal affairs and services	23	2%	8	1%	0	0%	31	1%
Arts and heritage	6	< 1%	0	0%	0	0%	6	< 1%
Community and human services	49	3%	8	1%	0	0%	57	3%
Consumer and trade	5	< 1%	0	0%	0	0%	5	< 1%
Custodial services	43	3%	190	26%	6	17%	239	11%
Education (except universities)	42	3%	97	13%	0	0%	139	6%
Emergency services	18	1%	16	2%	1	3%	35	2%
Employment and industrial relations	4	< 1%	0	0%	0	0%	4	< 1%
Energy	2	< 1%	1	< 1%	0	0%	3	< 1%
Government and financial services	343	23%	21	3%	8	23%	372	16%
Health	122	8%	172	24%	5	14%	299	13%
Land, property and planning	47	3%	3	< 1%	1	3%	51	2%
Law and justice	60	4%	1	< 1%	3	9%	64	3%
Local government	607	40%	138	19%	10	29%	755	33%
Natural resources and environment	63	4%	17	2%	0	0%	80	4%
Other – unspecified	1	< 1%	0	0%	0	0%	1	< 1%
Parliament	8	< 1%	0	0%	0	0%	8	< 1%
Policing	196	13%	2	< 1%	0	0%	198	9%
Tourism, sport, recreation and gaming	3	< 1%	5	< 1%	1	3%	9	< 1%
Transport, ports and waterways	66	4%	42	6%	2	6%	110	5%
Universities	38	3%	14	2%	0	0%	52	2%

Note: Percentages may not add to 100% because a matter may relate to more or less than one sector.

Table 26: Workplace functions applicable to matters received in 2020–21

Function	Section 10 complaints (s 10s)		Section 11 reports (s 11s)		Other types of matters (OMs)		Total for all matters	
	Number of s 10s	% of s 10s	Number of s 11s	% of s 11s	Number of OMs	% of OMs	Number of matters	% of matters
Allocation of funds, materials and services	553	37%	218	30%	14	40%	785	35%
Development applications and land rezoning	233	16%	26	4%	3	9%	262	12%
Electoral and political activities	60	4%	5	< 1%	4	11%	69	3%
Human resource and staff administration	287	19%	336	46%	5	14%	628	28%
Issue of licences or qualifications	21	1%	19	3%	2	6%	42	2%
Miscellaneous functions	114	8%	84	12%	5	14%	203	9%
Policy development and information processing	37	2%	13	2%	0	0%	50	2%
Processing of electronic and cash payments	22	1%	17	2%	5	14%	44	2%
Procurement, disposal and partnerships	174	12%	88	12%	6	17%	268	12%
Reporting, investigation, sentencing and enforcement	517	34%	123	17%	3	9%	643	28%

Note: Percentages may not add to 100% because a matter may relate to more or less than one workplace function.

Table 27: Types of corrupt conduct alleged in matters received in 2020–21

Conduct	Section 10 complaints (s 10s)		Section 11 reports (s 11s)		Other types of matters (OMs)		Total for all matters	
	Number of s 10s	% of s 10s	Number of s 11s	% of s 11s	Number of OMs	% of OMs	Number of matters	% of matters
Bribery, secret commissions and gifts	82	5%	46	6%	7	20%	135	6%
Corrupt conduct related to investigations or proceedings	447	30%	28	4%	2	6%	477	21%
Failure to perform required actions not already listed	216	14%	53	7%	1	3%	270	12%
Improper use of records or information	382	25%	344	47%	9	26%	735	33%
Improper use or acquisition of funds or resources	499	33%	270	37%	16	46%	785	35%
Intimidating or violent conduct	147	10%	80	11%	1	3%	228	10%
No corrupt conduct alleged in matter	28	2%	1	< 1%	1	3%	30	1%
Other corrupt conduct	60	4%	21	3%	1	3%	82	4%
Partiality	561	37%	165	23%	14	40%	740	33%
Personal interests	555	37%	260	36%	7	20%	822	36%

Note: Percentages may not add to 100% because allegations may involve more than one type of corrupt conduct.

Appendix 2 – Public interest disclosures

Table 28: Number of public officials who made a PID in 2020–21

Type of PID	Number of PIDs	Number of public officials*	PIDs finalised**
PIDs made by public officials in performing their day-to-day functions as public officials	0	0	0
PIDs made under a statutory or legal obligation (other than those made by public officials performing their day-to-day functions)	679	106	664
All other PIDs	155	112	152
Total	834	218	816

Note: In a reporting period, a PID may be made anonymously or made by multiple individuals, and one individual may make multiple PIDs.

* As one public official may make multiple PIDs, and PIDs may be made anonymously, the number of public officials may be smaller than the number of PIDs.

** Some of these PIDs were made prior to the start of the 2020–21 financial year.

Table 29: Types of allegations made in PIDs in 2020–21

Type of PID	Type of allegation					Total
	Corrupt conduct	Maladministration	Serious and substantial waste	Government information contravention	Local government pecuniary interest contraventions	
PIDs made by public officials in performing their day-to-day functions as public officials	0	0	0	0	0	0
PIDs made under a statutory or legal obligation (other than those made by public officials performing their day-to-day functions)	679	0	0	0	0	679
All other PIDs	155	0	0	0	0	155
Total	834	0	0	0	0	834

Appendix 3 – Statutory reporting

Table 30: Reports under s 76(2) of the ICAC Act in 2020–21

76(2)(ba)(i)	The time interval between the lodging of each complaint and the Commission deciding to investigate the complaint	See Table 31 for details
76(2)(ba)(ii)	Number of complaints where investigations were commenced but were not finalised in 2020–21	6
76(2)(ba)(iii)	Average time to deal with complaints	32 days
76(2)(ba)(iii)	Actual time to investigate any matters in which a report is made	See Table 32 for details
76(2)(ba)(iv)	Total number of compulsory examinations during 2020–21	85
76(2)(ba)(iv)	Total number of public inquiries during 2020–21	3
76(2)(ba)(v)	Number of days spent during 2020–21 in conducting public inquiries	68
76(2)(ba)(vi)	Time interval between the completion of each public inquiry conducted during 2020–21 and the furnishing of a report on the matter	See Table 22 (Chapter 5) for details

Report under s 76(2)(d) of the ICAC Act

In 2020–21, the Commission furnished information to the following agencies:

- Australian Border Force
- Australian Competition and Consumer Commission
- Australian Federal Police
- Australian Securities & Investments Commission
- Australian Taxation Office
- Independent Broad-based Anti-Corruption Commission
- NSW Crime Commission
- Northern Territory Office of the Independent Commission Against Corruption
- NSW Police Force
- Victorian Police.

The general nature and extent of information furnished was as follows:

- intelligence and information disseminations relevant to the functions of the above agencies as those functions concern the enforcement of the laws of the Commonwealth, a state or territory.

Table 31: Time interval between lodging of each complaint and the Commission deciding to investigate the complaint – s 76(2)(ba)(i) of the ICAC Act in 2020–21

Date matter received	Date decided to investigate	Time interval (days)
19/05/2020	17/09/2020	121
3/06/2020	2/07/2020	29
3/07/2020	5/08/2020	33
29/05/2020	17/09/2020	111
18/09/2020	24/09/2020	6
24/04/2020	26/10/2020	185
30/03/2021	19/04/2021	20

Table 32: Actual time taken to investigate any matter in respect of which a report is made – s 76(2)(ba)(iii) of the ICAC Act in 2020–21

Date referred for investigation	Date investigation completed	Time taken to investigate
5/5/2017	21/9/2020	1,320
28/9/2018	10/5/2021	1,075
7/6/2018	17/8/2020	887
7/12/2018	5/3/2021	844
10/12/2019	29/3/2021	546
17/3/2020	5/2/2021	431
4/12/2020	7/5/2021	344

Appendix 4 – Outcomes of matters

Table 33: Other outcomes for matters closed during 2020–21

Agency outcomes	Section 10 matters	Section 11 matters	Total
Disciplinary action proposed by the public authority	0	3	3
Disciplinary action taken by the public authority – Dismissal	1	47	48
Disciplinary action taken by the public authority – Counselling	5	14	19
Disciplinary action taken by the public authority – Resignation	3	46	49
Disciplinary action taken by the public authority – Other	4	130	134
Systemic issues addressed by the public authority	2	10	12
Systemic issues identified by the public authority	3	13	16
No action or further action warranted by the public authority	28	90	118

Appendix 5 – Adoption of corruption prevention recommendations

In framing corruption prevention recommendations, the Commission's focus is to work with the agency to ensure that the recommendations made in the Commission's report address both the corruption risk and the business priorities of the subject agency. In accordance with s 111E(2) of the ICAC Act, the Commission considers plans of action proposed by agencies and monitors the level of acceptance of corruption prevention recommendations in the agency's plan of action. It also ensures that agencies report on the implementation of their plans of action. Table 34 shows the adoption of corruption prevention recommendations in agency plans of action submitted during 2020–21. Table 35 shows the receipt of reports on implementation of agency action plans.

Table 34: Adoption of corruption prevention recommendations in agency plans of action

Public inquiry	Agency	Number of Recommendations	Date action plan received	Adopted as described in the report	Adopted in an alternative way	Partially adopted	Not adopted	% partially adopted	% fully adopted
Dasha	Canterbury Bankstown Council	4	27 May 2021	4	0	0	0	0	100
Cygnnet	Department of Communities and Justice	14	16 October 2020	14	0	0	0	0	100
Avon/Mezzo	Department of Planning, Industry and Environment	13	28 March 2021	13	0	0	0	0	100
Avon/Mezzo	NSW Government	2	28 March 2021	2	0	0	0	0	100
Gerda	University of Sydney	24	28 August 2020	22	2	0	0	0	100

The Commission seeks reports on the implementation of agency plans of action. If plans are not fully implemented at 12 months, a further 24-month report is sought. Proactive agencies can submit a final report at any stage including when the plan of action is submitted.

Table 35: Agency reports on the implementation of action plans received in 2020–21

Public inquiry / matter	Agency	Number of recommendations	Date report due	Date report received	Type of report received (interim or final)
Tarlo*	Department of Communities and Justice	2	7 July 2021	5 July 2021	Final
Estry	Corrective Services NSW	19	30 August 2020	17 August 2020	Interim

* Implementation of other recommendations was finalised in earlier reporting periods.

Appendix 6 – Strategic alliances to optimise investigative outcomes

Joint Agency Telecommunication Interception System

The Commission took part in both the Identity Content Assurance and Tracking Systems (ICATs) Steering Committee and board with the NSW Police, the Law Enforcement Conduct Commission and NSW Crime Commission in a proposed Joint Agency Telecommunication Interception System.

Australian Competition and Consumer Commission

The Commission continued its memorandum of understanding with the Australian Competition and Consumer Commission in relation to current Commission investigations to facilitate liaison, cooperation, assistance, joint enquiries, joint investigations, and the exchange of information.

Assistance provided by external agencies and other liaison

Commission staff met with a telephone analytics company and NSW law enforcement agencies to develop a forensically sound process for the acquisition of cloud email under *Law Enforcement (Powers and Responsibilities) Act 2002* search warrants.

Assistance provided to external agencies

- During the reporting year, the Commission's surveillance team assisted external agencies, including the Australian Taxation Office, Australia Commission for Law Enforcement Integrity, and the Australian Federal Police.
- Senior members of the Investigation Division met with the NSW Crime Commission's digital forensics team and a data analytics specialist to discuss improvements in processing electronic evidence and searching across data sets.
- Commission staff met with Australian telecommunications interception agencies and the Department of Home Affairs to discuss issues relating to Commonwealth Ombudsman inspections.
- The Commission's Strategic Intelligence and Research Unit (SIRU) assisted the Western Australian Corruption and Crime Commission regarding a review of its intelligence model.
- Commission information and technology and investigation staff assisted the Western Australian Corruption and Crime Commission in the service of summons and the facilitation of private examinations.
- SIRU delivered a presentation to the South West Local Health District Corruption Prevention Committee.

Interception Consultative Committee

This committee is a source of advice to agencies concerning telecommunications interception legislation and information requests to telecommunications service providers.

SEDnode Groups

SEDnode is a secure information system used by interception agencies to receive data from communication service providers (SPs). Commission officers attended SEDnode Assessment Working Group and Management Group meetings throughout the reporting year.

Special Networks Committee and Inter-Agency Technical Group

The Special Networks Committee and the Inter-Agency Technical Group provide an opportunity to discuss telecommunication interception issues, memoranda of understanding with service providers, communications protocols, and emerging interception technical tools. Commission officers attended monthly virtual meetings.

Other alliances

During the reporting period, Commission staff attended meetings with the Commonwealth Ombudsman and NSW interception agencies to strengthen compliance with the oversight of powers in telephone interception and access.

Appendix 7 – Prosecution and disciplinary action in 2020–21 arising from ICAC investigations

Table 36: Progress of prosecution matters in 2020–21

Certain matters have been excluded from this table so as to not prejudice certain forthcoming criminal trials.

The date the investigation report was published is in parentheses.

Note the following abbreviated terms:

- “Crimes Act” refers to the *Crimes Act 1900* (NSW)
- “ICAC Act” refers to the *Independent Commission Against Corruption Act 1988* (NSW)
- DPP refers to the Director of Public Prosecutions.

Investigation into the conduct of Moses Obeid, Eric Roozendaal and others (Operation Indus) (July 2013)

Name	Rocco Triulcio
Offences recommended for DPP consideration	Section 87 ICAC Act (false evidence).
DPP advice	On 8 September 2016, the DPP advised that there is sufficient evidence to charge Rocco Triulcio with 18 s 87(1) ICAC Act offences.
Status	Was set down for trial commencing 6 October 2020. On 3 June 2020, the DPP advised it will apply to vacate the trial date due to the trial in another matter in 2020. Trial set for 21 October 2021.

Investigation into the circumstances surrounding the application for and allocation to Doyles Creek Mining Pty Ltd of an exploration licence (Operation Acacia) (August 2013)

Name	John Maitland
Offences recommended for DPP consideration	Section 178BB Crimes Act (obtain valuable thing by false or misleading statement), common law offence of accessory before the fact to misconduct in public office, offences under s 112(2) ICAC Act (contravening a non-publication direction), s 87(1) ICAC Act (false or misleading evidence), and s 184(1) <i>Corporations Act 2001</i> .
DPP advice	<p>On 2 September 2014, the DPP advised sufficient evidence to prosecute Mr Maitland for an s 87 ICAC Act offence.</p> <p>On 5 November 2014, the DPP advised sufficient evidence to prosecute Mr Maitland for two offences of accessory before the fact to misconduct in public office.</p> <p>On 17 July 2015, the DPP advised sufficient evidence to prosecute Mr Maitland for five s 178BB Crimes Act offences.</p>
Status	<p>On 21 December 2015, Mr Maitland was convicted of the s 87 offence. On 7 March 2016, he was placed on a good behaviour bond for two years and ordered to pay a fine of \$3,000. He appealed. On 13 October 2016, the District Court dismissed the appeal.</p> <p>On 30 March 2017, following a trial in the Supreme Court of NSW before Adamson J, a jury returned verdicts of guilty in relation to two offences of accessory before the fact to misconduct in public office.</p> <p>On 2 June 2017, Adamson J in the Supreme Court of NSW sentenced Mr Maitland to full-time imprisonment for a period of six years, commencing on 26 May 2017 and expiring on 25 May 2023, with a non-parole period of four years, commencing 26 May 2017 and expiring 25 May 2021. The sentence imposed for each offence was five and four years respectively.</p> <p>On 22 June 2017, Mr Maitland filed a notice of intention to appeal his conviction and sentence.</p> <p>On 25 February 2019, the Court of Criminal Appeal allowed the appeal.</p> <p>New trial date was set for 6 April 2020 but postponed first to 7 September 2020 and then to a date to be set in 2022.</p> <p>The matters relating to the s 178BB charges were set down for trial in the District Court on 6 September 2017. On 25 September 2017, the District Court ordered a permanent stay of proceedings.</p>

Investigation into the conduct of certain City of Ryde councillors and others (Operation Cavill) (June 2014)

Name	Ivan Petch
Offences recommended for DPP consideration	Two common law offences of misconduct in public office, five s 87 ICAC Act offences (false or misleading evidence), one s 249K Crimes Act offence (making an unwarranted demand with menaces with the intention of influencing the exercise of a public duty), and s 96E <i>Election Funding, Expenditure and Disclosures Act 1981</i> ("the EFED Act") offences (accepting an indirect campaign contribution).
DPP advice	On 15 April 2015, the DPP advised sufficient evidence to proceed with one offence of misconduct in public office, six s 87 ICAC Act offences, two s 249K Crimes Act offences, two s 96E(2) EFED Act offences and two s 96H(2) EFED Act offences.
Status	<p>On 8 June 2017, Mr Petch was committed for trial on one s 249K Crimes Act offence. Six s 87 ICAC Act offences were also sent to the Sydney District Court.</p> <p>On 12 October 2018, Mr Petch was found guilty of the s 249K offence. On 10 December 2018, he was sentenced to two years imprisonment to be served by way of intensive correction in the community.</p> <p>On 14 December 2018, Mr Petch filed a notice of intention to appeal against conviction. The appeal was heard on 22 May 2020. Judgment was delivered on 19 June 2020. The conviction was quashed and a verdict of acquittal was entered (see <i>Petch v R</i> [2020] NSWCCA 133).</p> <p>The Court upheld two of the three grounds on which Mr Petch appealed his conviction. It found that the trial judge had failed to correctly direct the jury with respect to the mental element of the offence of blackmail under s 249K. It also found that the trial judge had erred by admitting evidence of the complainant as to her opinion of Mr Petch's state of mind when he uttered the words relied on by the Crown to establish the offence.</p> <p>The Court did not uphold the third of Mr Petch's grounds of appeal. The Court found that it was open to the jury to find that Mr Petch intended by his words and conduct on 2 May 2013 to issue an implied threat to act to Ms Dickson's detriment in her application for the permanent general manager's position. It found that it was open to the jury to convict him on the admissible evidence if given proper directions.</p> <p>The Court declined to order a re-trial, however, noting that despite the public interest in the prosecution of people who had used their high public office to commit criminal offences, this was a case with unusual and compelling features. Mr Petch is now 80 years of age and has already served more than three-quarters of the custodial sentence (intensive corrections order). By the time of any re-trial, it will have been eight or nine years since the offence was allegedly committed. The Court also noted that Mr Petch was subject to public scrutiny and opprobrium in the course of proceedings before the Commission.</p> <p>On 28 October 2019, Mr Petch was found guilty of two s 87 offences and not guilty of the remaining four offences. On 18 December 2019, an aggregate total of 18 months imprisonment was imposed. The matter was stood over to 21 February 2020 for Mr Petch to be assessed for home detention.</p> <p>On 21 February 2020, sentence proceedings concluded with an aggregate sentence of 18 months imprisonment by way of an intensive corrections order (ICO) being imposed, commencing on 21 February 2020. In addition to the standard conditions for an ICO, an additional condition of home detention for 12 months was imposed.</p> <p>On 24 November 2020, Mr Petch lodged an appeal against both conviction and severity. On 15 June 2021, the appeal against conviction was dismissed. The appeal against severity is for hearing on 10 September 2021.</p>

Investigation into allegations that an Ausgrid engineer corruptly solicited and accepted benefits from Ausgrid contractors and subcontractors (Operation Jarah) (June 2015)

Name	Phillip Cresnar
Offences recommended for DPP consideration	Section 249B Crimes Act (corrupt commissions or rewards), s 89(a) ICAC Act (attempt to procure the giving of false testimony), and s 87 ICAC Act (false or misleading evidence).
DPP advice	On 18 July 2017, the DPP advised sufficient evidence to proceed with six s 249B Crimes Act offences, one s 87 ICAC Act offence and one s 89 ICAC Act offence.
Status	<p>On 14 October 2019, Mr Cresnar pleaded guilty to three s 249B offences. The other three s 249B charges were withdrawn.</p> <p>The ICAC Act offences were heard on 28 October 2019. On 1 November 2019, Mr Cresnar was found guilty of the s 89(a) offence and not guilty of the s 87 offence.</p> <p>On 10 August 2020, Mr Cresnar was sentenced to an aggregate term of 30 months imprisonment to be served by way of an ICO. The ICO included orders that 150 hours of community service be completed and that Mr Cresnar be supervised by Community Corrections during the term.</p>

Investigation into the conduct of a TAFE NSW ICT manager (Operation Sonet) (March 2016)

Name	Ronald Cordoba
Offences recommended for DPP consideration	Offences under s 192E Crimes Act (fraud), s 80 ICAC Act (obstruction of Commission) and s 87 ICAC Act (false evidence).
DPP advice	On 7 June 2016, the DPP advised sufficient evidence to proceed with 51 s 192E Crimes Act offences, one s 80(c) ICAC Act offence and one s 87 ICAC Act offence.
Status	<p>On 11 July 2017, Mr Cordoba pleaded guilty to two s 192E Crimes Act offences and one s 87 ICAC Act offence.</p> <p>Listed for sentence on 20 April 2018 but adjourned to 6 June 2018 to determine Mr Cordoba's application for plea reversal on one s 192E offence. Mr Cordoba failed to appear on 6 June 2018 and a warrant was therefore issued for his arrest. In 2019, he was extradited from South Australia and held in custody.</p> <p>On 13 November 2019, Mr Cordoba was convicted of the three offences and sentenced to an aggregate term of imprisonment of eight years with a non-parole period of six years, to date from 16 March 2019 when he first went into custody.</p> <p>On 13 November 2019, Mr Cordoba filed a notice of intention to appeal his sentence. The appeal was heard on 3 May 2021. Judgment is reserved.</p>

Investigation into the conduct of a Mine Subsidence Board district manager (Operation Tunic) (March 2016)

Name	Darren Bullock
Offences recommended for DPP consideration	Offences under s 249B(1) Crimes Act (corrupt commissions), s 253 Crimes Act (forgery), s 254 Crimes Act (using false document), s 351A Crimes Act (recruiting person to engage in criminal activity) Crimes Act, s 87 ICAC Act (false evidence), s 88(2)(a) ICAC Act (destroy document) and s 89(a) ICAC Act (procure false evidence).
DPP advice	On 9 August 2016, briefs of evidence were provided to the DPP.
Status	Awaiting DPP advice.

Investigation into NSW Liberal Party electoral funding for the 2011 state election campaign and other matters (Operation Spicer) (August 2016)

Name	William Saddington
Offences recommended for DPP consideration	Section 87 ICAC Act (false evidence).
DPP advice	On 21 December 2020, the DPP advised that there was sufficient evidence to charge Mr Saddington with one offence under s 87 ICAC Act.
Status	The matter is adjourned to 8 July 2021 for service of the balance of the brief of evidence.

Name	Timothy Koelma
Offences recommended for DPP consideration	Section 87 ICAC Act (false evidence).
DPP advice	On 2 November 2020, the DPP advised that there was sufficient evidence to charge Mr Koelma with six offences under s 87 ICAC Act.
Status	The matter is listed for committal on 12 August 2021.

Name	Christopher Hartcher
Offences recommended for DPP consideration	Section 117 Crimes Act (larceny).
DPP advice	On 20 February 2017, a brief of evidence was provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Joseph Tripodi
Offences recommended for DPP consideration	Common law offence of misconduct in public office.
DPP advice	On 20 February 2017, a brief of evidence was provided to the DPP.
Status	The Commission is awaiting DPP advice.

Investigation into the conduct of a senior officer of the NSW Department of Justice and others (Operation Yancey) (November 2016)

Name	Anthony Andjic
Offences recommended for DPP consideration	Section 192E(1) Crimes Act (fraud), s 192G Crimes Act (false or misleading statement), conspiracy to commit an offence under s 192G Crimes Act and s 87 ICAC Act.
DPP advice	On 10 March 2020, the DPP advised there was sufficient evidence to prosecute Mr Andjic for eight offences of misconduct in public office, one s 192E offence, one s 192G offence and one s 87 ICAC Act offence. On 14 October 2020, the DPP advised that there was sufficient evidence to prosecute Mr Andjic for two further offences under s 87 of the ICAC Act.
Status	On 25 February 2021, Mr Andjic indicated his intention to plead guilty to four counts of misconduct in public office offences. Two further offences of misconduct in public office were merged with the earlier listed charges, and two offences of misconduct in public office are to be taken into account on sentencing by way of a Form 1, together with the s 192G offence. The s 192E offence has been withdrawn. On 25 March 2021, Mr Andjic entered pleas of guilty and was committed for sentence to the Sydney District Court on 16 April 2021. On that date, the matter was set down for sentence on 8 October 2021.

Name	Shadi Chacra
Offences recommended for DPP consideration	Section 192E Crimes Act (fraud), s 192G Crimes Act (false or misleading statement) and s 193B(2) Crimes Act (money laundering).
DPP advice	On 21 April 2017, briefs of evidence were provided to the DPP. On 10 March 2020, the DPP advised there was sufficient evidence to prosecute Mr Chacra for four offences of accessory to misconduct in public office and one s 192E offence.
Status	Mr Chacra pleaded guilty to four offences of accessory to misconduct in public office. The s 192E offence was withdrawn. Listed for sentence on 8 October 2021.

Name	Fayrouz Hammoud
Offences recommended for DPP consideration	Section 192E Crimes Act (fraud), s 192G Crimes Act (false or misleading statement) and s 193B(2) Crimes Act (money laundering).
DPP advice	On 21 April 2017, briefs of evidence were provided to the DPP. On 10 March 2020, the DPP advised there was sufficient evidence to prosecute Ms Hammoud for four offences of accessory to misconduct in public office.
Status	All charges were withdrawn following submissions to the DPP.

Name	Fatima Hammoud
Offences recommended for DPP consideration	Section 193C(2) Crimes Act (dealing with property suspected of being proceeds of crime), conspiracy to commit an offence under s 192G Crimes Act (false or misleading statement), and s 87 ICAC Act (false or misleading evidence).
DPP advice	On 10 March 2020, the DPP advised there was sufficient evidence to prosecute Ms Hammoud for one s 192G offence and two s 87 ICAC Act offences. On 14 October 2020, the DPP advised there was sufficient evidence to prosecute Ms Hammoud for four further offences under s 87 ICAC Act.
Status	Listed for hearing pursuant to s 32 of the <i>Mental Health (Forensic Provisions) Act 1990</i> on 11 August 2021.

Investigation into the conduct of a Regional Illegal Dumping Squad officer and others (Operation Scania) (June 2017)

Name	Nosir Kabite
Offences recommended for DPP consideration	Offences under s 249B(1) Crimes Act (corrupt commissions or rewards) and aiding and abetting the common law offence of misconduct in public office.
DPP advice	On 18 October 2018, the DPP advised that there was sufficient evidence to prosecute Mr Kabite for one offence of accessory to misconduct in public office and one offence of aiding and abetting misconduct in public office.
Status	<p>On 28 October 2019, Mr Kabite was also charged with an offence of give corrupt commission pursuant to s 249B Crimes Act.</p> <p>On 7 November 2019, Mr Kabite pleaded guilty to this charge and the aid and abet misconduct in public office charge.</p> <p>On 24 April 2020, Mr Kabite was sentenced to imprisonment for two years and six months to be served by way of an ICO. The matter was adjourned to 19 June 2020 to allow for a Sentence Assessment Report to be completed in relation to whether Mr Kabite was suitable for home detention and/or community service to be made a component of the order.</p> <p>On 19 June 2020, Mr Kabite was found suitable for home detention but raised fresh issues for the Court to consider that may affect the non-parole period. The matter was adjourned to 24 July 2020 for final determination of the sentence. On that date, the sentence of an ICO for a total term of two years six months with 18 months to be served by way of home detention was confirmed.</p> <p>On 13 August 2020, Mr Kabite filed a notice of intention to appeal against his sentence.</p>

Investigation into the conduct of the former City of Botany Bay Council chief financial officer and others (Operation Ricco) (July 2017)

Name	Keith Mark
Offences recommended for DPP consideration	Offences under s 192E Crimes Act (fraud).
DPP advice	On 15 February 2021, the DPP advised that there was sufficient evidence to prosecute Mr Mark for six s 192E offences.
Status	The matter was listed before the Downing Centre Local Court on 17 June 2021. Orders were made for the brief to be served by 12 August 2021 and the matter was listed for replies on 26 August 2021.

Name	Aleksa Subeski
Offences recommended for DPP consideration	Offences under s 192E Crimes Act (fraud).
DPP advice	On 15 February 2021, the DPP advised that there was sufficient evidence to prosecute Ms Subeski for 218 s 192E offences.
Status	Court attendance notices to be issued.

Name	Zoran Gajic
Offences recommended for DPP consideration	Offences under s 192E Crimes Act (fraud) and s 249B(2) Crimes Act (corrupt commissions or rewards).
DPP advice	On 15 February 2021, the DPP advised that there was sufficient evidence to prosecute Mr Gajic with one s 249B offence.
Status	The matter was listed before the Downing Centre Local Court on 17 June 2021. Orders were made for the brief to be served by 12 August 2021 and the matter was listed for replies on 26 August 2021.

Name	Sam Alexander
Offences recommended for DPP consideration	Offences under s 192E Crimes Act (fraud) and s 87 ICAC Act (false evidence).
DPP advice	On 15 February 2021, the DPP advised that there was sufficient evidence to prosecute Mr Alexander with one s 192E offence and one s 87 offence.
Status	The matter was listed before the Downing Centre Local Court on 17 June 2021. Orders were made for the brief to be served by 12 August 2021 and the matter was listed for replies on 26 August 2021.

Name	Marny Baccam
Offences recommended for DPP consideration	Offences under s 192E Crimes Act (fraud) and s 87 ICAC Act (false evidence).
DPP advice	On 19 November 2020, the DPP advised that there was sufficient evidence to prosecute Ms Baccam for 71 s 192E offences. On 2 March 2021, the DPP advised that there was sufficient evidence to prosecute Ms Baccam with an offence under s 87 of the ICAC Act.
Status	The matter was listed before the Downing Centre Local Court on 17 June 2021. Orders were made for the brief to be served by 12 August 2021 and the matter was listed for replies on 26 August 2021.

Name	Malcolm Foo
Offences recommended for DPP consideration	Offences under s 192E Crimes Act (fraud), s 249B(2) Crimes Act (corrupt commissions or rewards) and s 87 ICAC Act (false evidence).
DPP advice	On 19 November 2020, the DPP advised that there was sufficient evidence to prosecute Mr Foo for 102 s 192E offences, two s 249B offences and one s 87 offence.
Status	The matter was listed before the Downing Centre Local Court on 17 June 2021. Orders were made for the brief to be served by 12 August 2021 and the matter was listed for replies on 26 August 2021.

Name	Siddik Hussein
Offences recommended for DPP consideration	Offences under s 192E Crimes Act (fraud).
DPP advice	On 19 November 2020, the DPP advised that there was insufficient evidence to prosecute.
Status	The Commission has accepted the advice of the DPP.

Name	Suman Mishra
Offences recommended for DPP consideration	Offence under s 87 ICAC Act (false evidence).
DPP advice	On 3 February 2021, the DPP advised that there was insufficient evidence to prosecute.
Status	The Commission has accepted the advice of the DPP.

Name	Lorraine Cullinane
Offences recommended for DPP consideration	Common law offence of misconduct in public office.
DPP advice	On 16 March 2018, brief provided to the DPP.
Status	The Commission is awaiting DPP advice.

Investigation into the conduct of a former NSW Department of Justice officer and others (Operation Artek) (August 2017)

Name	Leslie Reynolds
Offences recommended for DPP consideration	Offences under s 249B(1) Crimes Act (corrupt commissions or rewards) or common law offence of misconduct in public office and s 87 ICAC Act (false evidence).
DPP advice	On 23 August 2017, brief provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Khader Ghamrawi
Offences recommended for DPP consideration	Offences under s 249B(1) Crimes Act (corrupt commissions or rewards) or aiding and abetting the common law offence of misconduct in public office.
DPP advice	On 24 November 2017, brief provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Samantha Boyle
Offences recommended for DPP consideration	Offences of being an accessory after the fact to an offence under s 249B(1) Crimes Act (corrupt commissions or rewards) and an offence under s 87 ICAC Act (false evidence).
DPP advice	On 24 November 2017, brief provided to the DPP.
Status	The Commission is awaiting DPP advice.

Investigation into dealings between Australian Water Holdings Pty Ltd and Sydney Water Corporation and related matters (Operation Credo) (August 2017)

Name	Gilbert Brown
Offences recommended for DPP consideration	Common law offence of misconduct in public office.
DPP advice	On 12 January 2018, brief provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Anthony Kelly
Offences recommended for DPP consideration	Common law offence of misconduct in public office.
DPP advice	On 12 January 2018, brief provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Edward Obeid Snr
Offences recommended for DPP consideration	Common law offence of misconduct in public office.
DPP advice	On 12 January 2018, brief provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Joseph Tripodi
Offences recommended for DPP consideration	Common law offence of misconduct in public office.
DPP advice	On 12 January 2018, brief provided to the DPP.
Status	The Commission is awaiting DPP advice.

Investigation into the conduct of a principal officer of two non-government organisations and others (Operation Tarlo) (September 2018)

Name	Eman Sharobeem
Offences recommended for DPP consideration	Common law offence of misconduct in public office, fraud under s 192E Crimes Act, obtaining a benefit by deception under s 178BA Crimes Act, publishing a false statement under s 192H Crimes Act, using a false document under s 254 Crimes Act and giving false or misleading evidence under s 87 ICAC Act.
DPP advice	On 12 November 2019, brief provided to the DPP.
Status	The Commission is awaiting DPP advice.

Investigation into the conduct of a Department of Finance, Services and Innovation ICT project manager (Operation Yarrow) (January 2019)

Name	Steven Prestage
Offences recommended for DPP consideration	Publishing false statements with an intention to obtain a financial advantage under s 192G Crimes Act, wilfully preventing or wilfully endeavouring to prevent a witness from attending the ICAC under s 92 ICAC Act, procuring the giving of false testimony at a compulsory examination under s 89 ICAC Act and giving false or misleading evidence under s 87 ICAC Act.
DPP advice	On 25 June 2020, the DPP advised there is sufficient evidence to prosecute Mr Prestage for 18 offences under s 192E Crimes Act, 12 offences under s 87 ICAC Act and one offence under s 89 ICAC Act.
Status	<p>On 15 April 2021, the Crimes Act offences were adjourned to 6 May 2021 to allow a case conference to take place. On the same date, the ICAC Act offences were adjourned to 27 May 2021 for committal (either for sentence or trial).</p> <p>On 27 May 2021, upon application by Mr Prestage's newly appointed lawyers, who sought additional time to brief counsel, the ICAC Act offences were again adjourned to 17 June 2021 for committal (either for sentence or trial). The ICAC Act offences were further adjourned on application by defence to 1 July 2021.</p> <p>On 6 May 2021, the Crimes Act offences were committed for trial to the Sydney District Court. Those matters were listed for arraignment in that court on 11 June 2021. On that date, a further adjournment was ordered with the matter listed for arraignment in the Sydney District Court on 25 June 2021.</p> <p>On 25 June 2021, defence lawyers in the Crimes Act matters sought leave to withdraw to act. Mr Prestage then sought an adjournment to brief new legal representatives. The matters were stood over to 16 July 2021.</p> <p>On 1 July 2021, the ICAC Act offences went before the court, and defence lawyers filed a notice to withdraw. The matters were stood over for a final committal date to 22 July 2021. As there was no appearance by Mr Prestage, a warrant was issued for his arrest.</p>

Investigation into the conduct of NSW Corrective Services officers at Lithgow Correctional Centre (Operation Estray) (June 2019)

Name	John O'Shea
Offences recommended for DPP consideration	Principal in the second degree to the offence of inciting an assault, hindering an investigation under s 315 Crimes Act, perverting the course of justice or attempting or conspiring to do so under s 319 Crimes Act, the common law offence of misconduct in public office and wilfully obstructing the ICAC under s 80 ICAC Act.
DPP advice	On 17 December 2019, brief of evidence provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Terrence Walker
Offences recommended for DPP consideration	Assault occasioning actual bodily harm under s 59(1) Crimes Act, hindering an investigation under s 315 Crimes Act, perverting the course of justice or attempting or conspiring to do so under s 319 Crimes Act, the common law offence of misconduct in public office and wilfully obstructing the ICAC under s 80 ICAC Act.
DPP advice	On 17 December 2019, brief of evidence provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Brian McMurtrie
Offences recommended for DPP consideration	Hindering an investigation under s 315 Crimes Act, perverting the course of justice or attempting or conspiring to do so under s 319 Crimes Act, the common law offence of misconduct in public office and giving false or misleading evidence under s 87 ICAC Act.
DPP advice	On 17 December 2019, brief of evidence provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Stephen Taylor
Offences recommended for DPP consideration	Hindering an investigation under s 315 Crimes Act, perverting the course of justice or attempting or conspiring to do so under s 319 Crimes Act, concealing a serious indictable offence under s 316(1) Crimes Act and the common law offence of misconduct in public office.
DPP advice	On 17 December 2019, brief of evidence provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Simon Graf
Offences recommended for DPP consideration	Hindering an investigation under s 315 Crimes Act, perverting the course of justice or attempting or conspiring to do so under s 319 Crimes Act, the common law offence of misconduct in public office, giving false or misleading evidence under s 87 ICAC Act and wilfully obstructing the ICAC under s 80 ICAC Act.
DPP advice	On 17 December 2019, brief of evidence provided to the DPP.
Status	The Commission is awaiting DPP advice.

Name	Elliott Duncan
Offences recommended for DPP consideration	Hindering an investigation under s 315 Crimes Act, perverting the course of justice or attempting or conspiring to do so under s 319 Crimes Act, the common law offence of misconduct in public office and giving false or misleading evidence under s 87 ICAC Act.
DPP advice	On 17 December 2019, brief of evidence provided to the DPP.
Status	The Commission is awaiting DPP advice.

Investigation into the over-payment of public funds by the University of Sydney for security services (Operation Gerda) (May 2020)

Name	Emir Balicevac
Offences recommended for DPP consideration	Sections 249B (corrupt commissions or rewards), 192E (fraud) and 192G (misleading statement) Crimes Act, regulation 42 of the Security Industry Regulation 2016, regulation 44 of the Security Industry Regulation 2007 and s 87 ICAC Act (giving false evidence).
Status	Brief of evidence under preparation.

Name	Daryl McCreadie
Offences recommended for DPP consideration	Sections 249B, 192E and 192G Crimes Act, regulation 42 of the Security Industry Regulation 2016 and regulation 44 of the Security Industry Regulation 2007.
Status	Brief of evidence under preparation.

Name	Frank Lu
Offences recommended for DPP consideration	Sections 192E and 192G Crimes Act, regulation 42 of the Security Industry Regulation 2016 and regulation 44 of the Security Industry Regulation 2007.
Status	Brief of evidence under preparation.

Name	George Boutros
Offences recommended for DPP consideration	Sections 192E and 192G Crimes Act, regulation 42 of the Security Industry Regulation 2016 and regulation 44 of the Security Industry Regulation 2007.
Status	Brief of evidence under preparation.

Name	Taher Sirour
Offences recommended for DPP consideration	Sections 249B, 192E and 192G Crimes Act, aiding and abetting offences contrary to s 1351 of the <i>Criminal Code Act 1995</i> (Cwth) (dishonestly obtaining a gain from the Commonwealth).
Status	Brief of evidence under preparation.

Name	Dennis Smith
Offences recommended for DPP consideration	Section 249B(1)(a) or s 249B(1)(b) Crimes Act and s 87(1) ICAC Act.
Status	Brief of evidence under preparation.

Investigation into the alleged corrupt practices of a headlease coordinator at the NSW Department of Family and Community Services (Operation Cygnet) (August 2020)

Name	Chanse Baynham
Offences recommended for DPP consideration	Section 192E Crimes Act (fraud) and common law offences of misconduct in public office.
Status	Brief of evidence under preparation.

Investigation into the conduct of councillors of the former Canterbury City Council and others (Operation Dasha) (March 2021)

Name	Michael Hawatt
Offences recommended for DPP consideration	Sections 249B (corrupt commissions or rewards) and 249K (blackmail) Crimes Act, the common law offence of misconduct in public office and s 87 ICAC Act (giving false evidence).
Status	Brief of evidence under preparation.

Name	Pierre Azzi
Offences recommended for DPP consideration	Section 249K (blackmail) Crimes Act and the common law offence of misconduct in public office.
Status	Brief of evidence under preparation.

Name	Spiro Stavis
Offences recommended for DPP consideration	The common law offence of misconduct in public office.
Status	Brief of evidence under preparation.

Name	Charbel Demian
Offences recommended for DPP consideration	Section 87 ICAC Act (giving false evidence).
Status	Brief of evidence under preparation.

Name	Daryl Maguire
Offences recommended for DPP consideration	Section 87 ICAC Act (giving false evidence).
Status	Brief of evidence under preparation.

Name	Marwan Chanine
Offences recommended for DPP consideration	Section 87 ICAC Act (giving false evidence).
Status	Brief of evidence under preparation.

Investigation into the conduct of a Service NSW officer (Operation Mistral) (May 2021)

Name	Diana Benyamin
Offences recommended for DPP consideration	Sections 249B (corrupt commissions or rewards) and 307A (false or misleading application) Crimes Act, s 62(1) <i>Privacy and Personal Information Protection Act 1998</i> (corrupt disclosure and use of personal information) and s 87 ICAC Act (giving false evidence).
Status	Brief of evidence under preparation.

Name	Fahad Al-Dakak
Offences recommended for DPP consideration	Sections 249B (corrupt commissions or rewards), 307A (false or misleading application) and 308H (accessing restricted data) Crimes Act, and s 62(1) and s 62(2) <i>Privacy and Personal Information Protection Act 1998</i> (corrupt disclosure and use of personal information)
Status	Brief of evidence under preparation.

Table 37: Progress of disciplinary matters in 2020–21

The date the investigation report was published is in parentheses.

Investigation into the conduct of NSW Corrective Services officers at Lithgow Correctional Centre (Operation Estray) (June 2019)

Name	Troy Dippel
Recommendation	Consideration be given to the taking of disciplinary action.
Status	Disciplinary proceedings concluded. Official reprimand imposed.

Name	Michael (Mick) Watson
Recommendation	Consideration be given to the taking of disciplinary action.
Status	Disciplinary proceedings concluded. Official reprimand imposed.

Investigation into the conduct of a Service NSW officer (Operation Mistral) (May 2021)

Name	Diana Benyamin
Recommendation	Consideration be given to the taking of disciplinary action.
Status	Ms Benyamin resigned before disciplinary action could be taken.

Appendix 8 – Report on the ICAC’s obligations under the *Government Information (Public Access) Act 2009*

Section 125 of the *Government Information (Public Access) Act 2009* (“the GIPA Act”) requires an agency to prepare an annual report on the agency’s obligations under the GIPA Act. The Government Information (Public Access) Regulation 2018 sets out what must be included in the report. This appendix contains the information required to be reported by the ICAC.

Section 7(3) of the GIPA Act provides that an agency must, at intervals of not more than 12 months, review its program for the release of government information to identify the kinds of government information held by the agency that should in the public interest be made publicly available and that can be made publicly available without imposing unreasonable additional costs on the agency. During the reporting period, one such review was undertaken.

The Commission received one part-valid access application during the reporting period.

Tables 38–46 provide statistical information about access applications – clause 8(d) and Schedule 2.

Table 38: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	1	0	0	0	0	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table 39.

Table 39: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	1	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* This is an access application for personal information (as defined in clause 4 of Schedule 4 to the GIPA Act) about the applicant (the applicant being an individual).

Table 40: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (s 41 of the GIPA Act)	0
Application is for excluded information of the agency (s 43 of the GIPA Act)	8
Application contravenes restraint order (s 110 of the GIPA Act)	0
Total number of invalid applications received	8
Invalid applications that subsequently became valid applications	0

Table 41: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to GIPA Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transactions under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table 39.

Table 42: Other public interest considerations against disclosure: matters listed in table to s 14 of the GIPA Act

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table 43: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	8
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	8

Table 44: Number of applications reviewed under Part 5 of the GIPA Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under s 93 of GIPA Act	0	0	0
Review by ADT/NCAT	0	0	0
Total	0	0	0

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table 45: Applications for review under Part 5 of the GIPA Act (by type of applicant)

	Number of applications for review
Applications by access applicants	1
Applications by persons to whom information the subject of access application relates (see s 54 of the GIPA Act)	0

Table 46: Applications transferred to other agencies under Division 2 of Part 4 of the GIPA Act (by type of transfer)

	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

Appendix 9 – Commissioners, Chief Executive Officer and executive officers

The Hon Peter Hall QC holds the position of Chief Commissioner.

The Chief Commissioner's salary is calculated at 160% of the remuneration of a NSW Supreme Court puisne judge. The total annual remuneration package for Mr Hall is \$761,472.

The remuneration paid to the Commissioners, based on hours worked, is the Attorney's rates for Senior Counsel to a maximum 50% of the Chief Commissioner's remuneration.

Executive management

In 2020–21, the Commission's Executive Management Group consisted of:

- the Hon Peter Hall QC, Chief Commissioner, BA/LLM (University of Sydney)
- Patricia McDonald SC, Commissioner, BEc (Hons) LLB (Hons) (University of Sydney), BCL (Hons) (Oxford University)
- Stephen Rushton SC, Commissioner, BA/LLB (University of Sydney)
- Philip Reed, Chief Executive Officer, BSc (Hons) (James Cook University)
- Bernadette Dubois, Executive Director, Investigation Division. Grad Dip Public Policy and Administration (Charles Sturt University)
- Andrew Koureas, Executive Director, Corporate Services, BComm, MComm (University of NSW), LLB (University of Technology, Sydney), FCPA
- Lewis Rangott, Executive Director, Corruption Prevention, BEc (University of NSW), MComm (University of Sydney)
- Roy Waldon, Executive Director, Legal and Solicitor to the Commission, LLB (Hons) (University of Tasmania).

The percentage of total employee-related expenditure in the reporting period that relates to senior executives compared with the percentage at the end of the previous year was 15% in June 2020 and 15% in June 2021.

Table 47: Band and gender of senior executives as at 30 June 2021

Band	2019–20		2020–21	
	Male	Female	Male	Female
Chief Commissioner	1	0	1	0
Commissioner	1	1	1	1
Band 4	0	0	0	0
Band 3	0	0	0	0
Band 2	1	0	1	0
Band 1	3	1	3	1
Totals	6	2	6	2
	8		8	

Table 48: Remuneration of senior executives

Band level	Range (\$)	Average remuneration	
		2019–20 (\$)	2020–21 (\$)
Chief Commissioner	\$761,472	\$761,472	\$761,472
Commissioner	\$380,736 (maximum)	\$380,736	\$380,736
Band 4	\$487,051–\$562,650	\$0	\$0
Band 3	\$345,551–\$487,050	\$0	\$0
Band 2	\$274,701–\$345,550	\$317,238	\$317,238
Band 1	\$192,600–\$274,700	\$254,935	\$247,263

Note: Commission executive staff employed at the equivalent of the Senior Executive Bands.

Table 49: Number of female executive staff as at 30 June 2021

Year	Number
2020–21	2
2019–20	2
2018–19	1
2017–18	1
2016–17	1

Appendix 10 – Workforce diversity and Multicultural Policies and Services Program

The Commission recognises that a diverse workforce will add value to its effective service delivery and is committed to ensuring workforce diversity is integrated into the Commission's strategic workforce planning. A workplace built on diverse people drives creativity and innovation and is reflective of the diverse community.

The Commission endeavours to diversify its workforce and initiate inclusive work practices. It provides flexible work arrangements for its employees and promotes this availability through both its recruitment processes and on an ongoing basis.

Key objectives of the Commission's *Strategic Plan 2017–2021* are to:

- continue to develop as a learning organisation that embraces a culture of continuous improvement, excellence and sharing of knowledge
- provide a safe, equitable, productive and satisfying workplace
- be a lead agency in our governance and corporate infrastructure
- monitor our performance to ensure work quality and effective resource management.

As a small agency, the Commission reports every three years on its Multicultural Policies and Services Program (MPSP) and diversity strategies and achievements.

From 2018 to 2021, workforce diversity actions included:

- promotion of workforce diversity as part of everyday Commission business
- provision of flexible work practices to all staff
- equitable practices for accessing training and development opportunities
- merit-based recruitment and selection processes
- provision of an accessible and inclusive environment for staff and visitors to Commission premises
- engagement of a new 24/7 Employee Assistance Program (EAP) provider in 2020–21, to support mental health issues for employees (witnesses and other persons associated with Commission investigations and hearings are also able to access the EAP)
- development of a diversity and inclusion strategy and action plan (commencing in 2021–22), including actions to address the Commission's responsibilities under the MPSP.

From 2018 to 2021, actions to address the MPSP objectives included:

- use of interpreter services to assist clients from non-English speaking backgrounds as required when receiving corruption reports, and during interviews, compulsory examinations and public inquiries
- signing of a service agreement with Multicultural NSW in 2020–21 regarding interpretation and translation services
- update of the bilingual staff directory and register of interpreters and translators who have been security vetted
- induction training on multicultural awareness, addressing staff and external parties who may engage with the Commission
- availability of information in a variety of community languages on the Commission and how to report corruption
- release of YouTube videos on topics such as "What is corruption?", "How to report corruption", "Conflicts of interest" and "Gifts, hospitality and bribes" to assist in the broad provision of information using plain English, and visual and verbal forms.

Key workforce and community diversity strategies proposed for 2021–22 in the Commission's diversity and inclusion strategy include:

- leadership workshops to develop understanding of the benefits of inclusive and respectful practices in the workplace
- review of the Commission's flexible work arrangements policy, including working from home
- training for staff likely to participate on recruitment panels, including content on the influence of, and how to address, unconscious prejudice, in order to make merit-based decisions
- promotion of major cultural and diversity events and days of significance
- review of the Commission's processes and instructions for staff and the public to access interpreter services, including the Commission's bilingual staff directory, the Community Language Allowance Scheme, and external interpreter and translation services
- review of published Commission instructions and guidelines to identify where it may be appropriate for further documents to be issued in community languages.

Table 50: Workforce Diversity Actual Staff Numbers (Non-casual Headcount at Census Date) – 2021

Remuneration level of substantive position	Total staff (men, women & unspecified)	Respondents	Men	Women	Unspecified gender	Aboriginal & Torres Strait Islander people	People from racial, ethnic, ethno-religious minority groups	People whose language first spoken as a child was not English	People with a disability	People with a disability requiring work-related adjustment
\$0 – \$49,470	0	0	0	0	0	0	0	0	0	0
\$49,470 – \$64,973	0	0	0	0	0	0	0	0	0	0
\$64,973 – \$72,635	1	1	0	1	0	0	1	0	0	0
\$72,635 – \$91,916	23	21	5	18	0	0	7	5	2	1
\$91,916 – \$118,863	32	30	13	19	0	0	8	4	0	0
\$118,863 – \$148,578	49	46	27	22	0	0	11	10	3	0
\$148,578 > (Non SES)	17	17	9	9	0	0	2	0	0	0
\$148,578 > (SES)	8	7	5	2	0	0	1	1	0	0
Total	130	122	59	71	0	0	30	20	5	1

Appendix 11 – Work health and safety

A key objective of the Commission's *Strategic Plan 2017–2021* is to provide a safe, equitable, productive and satisfying workplace. The Commission is committed to protecting the health and safety of its staff and other people on its premises by eliminating or minimising risks arising from work or workplaces.

Work health and safety (WHS) principles are incorporated into all facets of business planning and operational activities.

The COVID-19 pandemic continued into 2020–21 and all areas of Commission operations underwent COVID-19 safety risk assessments, resulting in changes to processes and facilities.

These risk assessments and subsequent broad consultation processes resulted in the development of formal protocols regarding core Commission operations, including hearings.

During 2020–21, the Commission implemented the following initiatives:

- the provision of a flu vaccine program for all interested staff
- ergonomic workstation assessments by an accredited specialist and the provision of equipment, including electronic desks, as recommended
- provision of accredited first aid and CPR training for staff and first aid officers
- provision of training for fire wardens
- safety testing and tagging of electrical equipment, and checking of fire extinguishers
- conduct of an emergency evacuation exercise
- replacement of all meeting room and training room chairs.

In 2020–21, the Commission's WHS Committee included:

- Catherine Agoratsios, Executive Support Unit
- John Biady, Corruption Prevention Division
- Kay Casserly, Corporate Services Division
- Carolyn Cecere, Investigation Division
- Andrew Koureas, Corporate Services Division
- Natasha Lonergan, Investigation Division
- Kristy McMillan, Investigation Division
- Lorie Parkinson, Corporate Services Division
- Georgia Pelle, Assessments Section
- Georgina Ross, Legal Division
- Kate Southam, Investigation Division
- Stephen Wood, Corruption Prevention Division.

Table 51: WHS incidents, injuries and claims in 2020–21

Body stress	2
Fall, slip, trip	1
Heat/electricity	nil
Journey	nil
Other/unspecified	nil
Total	3
Number of new workers compensation claims	1
Number of continuing workers compensation claims at year end	3

Appendix 12 – Engagement and use of consultants

Table 52: Engagement and use of consultants

Consultancies equal to or more than \$50,000
KPMG – ICAC Workforce Review – \$99,750
The Commission engaged KPMG to conduct a review of resourcing requirements, including a Corporate Services Division review to right-size the organisation to achieve its goals.
Consultancies less than \$50,000
During the year, the Commission engaged two consultants in information technology and human resources at a cost of \$18,838.

Appendix 13 – Payment performance indicators

Table 53: Aged analysis at end of each quarter 2020–21

Quarter	Current (ie. within due date) (\$'000)	Less than 30 days overdue (\$'000)	Between 30 and 60 days overdue (\$'000)	Between 60 and 90 days overdue (\$'000)	More than 90 days overdue (\$'000)
All suppliers					
September	1,456.79	369.54	26.37	0.00	0.00
December	1,489.53	0.00	0.00	0.00	0.00
March	1,340.57	0.00	0.00	0.00	0.00
June	3,232.71	0.00	0.00	0.00	0.00
Small business suppliers*					
September	12.57	–	–	–	–
December	62.22	–	–	–	–
March	15.90	–	–	–	–
June	117.00	–	–	–	–

The Commission did not make any interest payments for late payment of accounts. Where there were delays in the payment of accounts, the reasons can be attributed to inaccuracies/incompleteness of the original invoices and/or minor disputes requiring the adjustment of invoice details prior to eventual payment.

* All small business accounts were paid on time during the current reporting period.

Table 54: Accounts due or paid within each quarter

Measure	September	December	March	June
All suppliers				
Number of accounts due for payment	201.00	205.00	210.00	325.00
Number of accounts paid on time	169.00	205.00	210.00	325.00
Actual percentage of accounts due for payment	84%	100%	100%	100%
Dollar amount of accounts due for payment	1,852,694.07	1,489,531.42	1,340,569.14	3,232,706.97
Dollar amount of accounts paid on time	1,456,787.72	1,489,531.42	1,340,569.14	3,232,706.97
Actual percentage of accounts paid on time (based on \$)	79%	100%	100%	100%
Number of payments for interest on overdue accounts	–	–	–	–
Interest paid on overdue accounts	–	–	–	–
Small business suppliers				
Number of accounts due for payment	4	7	6	10
Number of accounts paid on time	4	7	6	10
Actual percentage of accounts due for payment	100%	100%	100%	100%
Dollar amount of accounts due for payment	12,568.16	62,220.75	15,898.25	116,997.28
Dollar amount of accounts paid on time	12,568.16	62,220.75	15,898.25	116,997.28
Actual percentage of accounts paid on time (based on \$)	100%	100%	100%	100%
Number of payments for interest on overdue accounts	–	–	–	–
Interest paid on overdue accounts	–	–	–	–

The Commission did not make any interest payments for late payment of accounts. Where there were delays in the payment of accounts, the reasons can be attributed to inaccuracies/incompleteness of the original invoices and/or minor disputes requiring the adjustment of invoice details prior to eventual payment.

Appendix 14 – Credit card certification

The Chief Executive Officer certifies that credit card usage in the Commission has met best practice guidelines in accordance with Premier's Memoranda and Treasury Directions.

Appendix 15 – Overseas travel

No overseas travel was conducted during the reporting period.

Appendix 16 – Major works

Table 55: Major works (projects over \$250,000)

Item description	Estimated costs (\$m)	Costs to 30 June 2021 (\$m)	Estimated completion date
Hearing room upgrade of audio-visual technology	0.5	0.214	2022

Appendix 17 – Witness cooperation policy

Introduction

The NSW Independent Commission Against Corruption ("the Commission") aims to protect the public interest, prevent breaches of public trust and guide the conduct of NSW public officials. To do this we:

- investigate and expose corrupt conduct in and affecting most of the NSW public sector (including state government agencies, local government authorities, members of Parliament and the judiciary but excluding NSW Police and the NSW Crime Commission);
- actively prevent corruption through advice and assistance; and
- educate the NSW community and public sector about corruption and its effects.

Corruption harms public administration, can involve the misuse of public funds and assets and undermine trust in government and the effective and efficient delivery of public services. It involves secrecy and deception and is often difficult to detect without inside information.

The purpose of this policy is to set out what we can do to encourage those involved in corruption to cooperate with us to establish that corrupt conduct has occurred and the full extent of that conduct so that we can stop the harm arising from such conduct.

How to cooperate with the Commission

A person can cooperate with us by:

- fully reporting any corrupt conduct at the earliest possible time;
- honestly and completely disclosing all relevant information;
- providing voluntary assistance during an investigation, including by providing evidence and/or other information in relation to the subject matter of an investigation, including at a public inquiry; and
- giving evidence in the criminal prosecution of others arising from the investigation.

Merely fulfilling certain legal obligations under the *Independent Commission Against Corruption Act 1988* ("the ICAC Act"), such as producing documents in response to a notice or summons issued by the Commission or attending to give evidence in response to a summons (unless the evidence is comprehensive and entirely truthful), does not constitute cooperation for the purposes of this policy.

Protection for those cooperating with the Commission

We take seriously the need to protect people who have assisted us, including their family members, against any potential harm, intimidation or harassment arising from their cooperation.

Section 50 of the ICAC Act provides that, if the safety of a person (or the safety of any other person, including family members) may be prejudiced or the person may be subject to intimidation or harassment because the person assisted the Commission, we may make arrangements to:

- protect the person's safety; or
- protect the person from intimidation or harassment.

Such arrangements may involve directing the Commissioner of Police to:

- provide protection;
- provide personnel or facilities or both to assist in providing protection; or
- otherwise assist in providing protection.

The Commission may also make an order to protect a person's safety or to protect a person from intimidation or harassment. It is a criminal offence for anyone to contravene such an order.

Under s 93 of the ICAC Act, it is a criminal offence for any person who uses, causes, inflicts or procures, or threatens to use, cause, inflict or procure, any violence, punishment, damage, loss or disadvantage to any person for or on account of the person:

- assisting the Commission; or
- giving evidence to the Commission.

Under s 94 of the ICAC Act, it is also a criminal offence for an employer to dismiss an employee or prejudice the employee because the employee assisted the Commission.

Potential benefits of cooperating with the Commission

There are various potential benefits available to those who fully cooperate with us.

1. Acknowledgement of assistance in a Commission report

The Commission may prepare a report in relation to any matter that has been the subject of an investigation. Such reports are made public and published on our website.

Where appropriate and subject to the consent of the relevant person(s), we will include mention in our report of the cooperation provided by particular persons and the value of that cooperation to us in uncovering corruption. This will be a public acknowledgement of the assistance provided to us in uncovering corruption.

2. Discretion not to make corruption findings

In reporting on its investigations, the Commission may make factual findings and findings that a person has engaged in serious corrupt conduct.

The Commission may exercise a discretion not to make a finding that a person has engaged in corrupt conduct, even though the factual findings permit such a finding. The discretion may be exercised where a person has fully cooperated with the Commission. Relevant considerations include:

- the value to the Commission of the assistance, including the value of any evidence or other information provided by the person;
- the stage of the investigation the person began to fully cooperate;

- the extent and level of their involvement in the relevant corruption;
- whether they were an instigator or beneficiary of the corrupt conduct; and
- whether the making of such a finding would be, in all the circumstances, unduly severe.

3. Discretion not to recommend consideration of prosecution

In reporting on its investigations, the Commission may make a statement as to whether consideration should be given to:

- obtaining the advice of the Director of Public Prosecutions (DPP) with respect to the prosecution of a person for a specified criminal offence;
- taking action against a person for a specified disciplinary offence, and
- taking of action against a person as a public official on specified grounds, with a view to dismissing, dispensing with the services of or otherwise terminating the services of the public official.

Where a person has fully cooperated with the Commission, the Commission may also exercise its discretion to not recommend consideration be given to seeking the advice of the DPP or the taking of disciplinary or dismissal action against that person.

Where a person, who has given false or misleading evidence to the Commission, voluntarily returns to the Commission and cooperates by providing a full and truthful account, we will take that cooperation into account when deciding whether consideration should be given to obtaining the advice of the DPP with respect to a prosecution for an offence under s 87 of the ICAC Act of giving false or misleading evidence. In exercising our discretion we will take into account:

- whether the person has on their own volition approached the Commission to change their evidence;
- whether the person has provided a full and truthful account;
- the stage of investigation at which the person approached the Commission to change their evidence; and
- whether the change is likely to materially affect the progress and outcome of the investigation.

4. Indemnities and undertakings

Under s 49 of the ICAC Act, the Commission may recommend to the NSW Attorney General that a person be granted an indemnity from prosecution for a specified offence or in respect of specified acts or omissions. If such an indemnity is granted, no proceedings may thereafter be instituted or continued against the person in respect of the offence or the acts or omissions.

The Commission may also recommend to the Attorney General that a person be given an undertaking that an answer, statement or disclosure in proceedings before the Commission or the fact of a disclosure or production of a document in proceedings before the Commission will not be used in evidence against the person. If such an undertaking is given, the answer, statement, disclosure or the fact of the disclosure or production is not admissible in evidence against the person in any civil or criminal proceedings, other than proceedings in respect of the falsity of evidence given by the person.

5. Assistance to a person convicted of an offence

Where a person who has cooperated with the Commission is subsequently convicted of an offence arising from the Commission investigation, we can provide a letter to the relevant court setting out details of the cooperation and request the court take that cooperation into account when imposing the sentence.

Index

A

A parliamentary solution to a funding model for the ICAC, 52, 55–57

Acacia (Operation), 107

access to information, 47, 51, 54, 120–123

accountability *See* compliance and accountability

administration *See* Corporate Services Division

Administrative Appeals Tribunal (Cth), 48

AGSVA *See* Australian Government Security Vetting Agency (AGSVA)

aims and functions, 9, 12 *See also* mission; objectives (*Strategic Plan 2017–2021*)

alliances, strategic, 12, 105, 106

annual reports, 34, 50, 54–55, 120

anonymous complaints, 20–21

 jobs for mates, 20

anti-corruption *See* Corruption Prevention Division

ANZSOG/ICAC executive short course, 45

ARC *See* Audit and Risk Committee (ARC)

Artek (Operation), 114

Assessment Panel, 18, 26–30, 34, 35, 36, 54

 decisions 2020–21, 30

Assessments Section, 9, 10, 13, 17–30, 34

 achieving turnaround targets, 18

 anonymous complaints *See* anonymous complaints

 assessment process, 25, 26–29

 case studies *See* complaints (case studies)

 complaints profile, 19–20, 98–100

 performance 2020–21, 18

 PIDS *See* public interest disclosures (PIDs)

 public authorities and ministers, reports from *See* reports from public authorities and ministers

 public complaints, 21–23

Strategic Plan 2017–2021, 12

assets, 16 *See also* financial statements

Assistant Commissioners, 10, 59

audit, 5

 Attestation Statement 2020–21, 63

Audit and Risk Committee (ARC), 47, 59, 61, 62, 63, 93

audit and risk committees

Dealing with corruption, fraud and the ICAC: the role of public sector audit and risk committees, 41, 57

 guidance for, 41

AUSTRAC, 38

Australia Commission for Law Enforcement Integrity, 105

Australian Accounting Standards, 51, 57, 68, 75, 77, 84

Australian Border Force, 38, 102

Australian Competition and Consumer Commission, 38, 102, 105

memorandum of understanding, 105

Australian Federal Police, 38, 102, 105

Australian Financial Complaints Authority, 38

Australian Government Security Vetting Agency (AGSVA), 61

Australian Securities & Investments Commission, 38, 102

Australian Taxation Office, 38, 76, 102, 105

Avon (Operation), 43, 56, 104

C

Cavill (Operation), 108

CCG *See* Commission Consultative Group (CCG)

CEO *See* Chief Executive Officer (CEO)

Chief Commissioner, 9, 10, 21, 23, 26, 42, 53, 59, 124, 125

foreword, 4–5

transmission letter, 3

Chief Executive Officer (CEO), 9, 10, 26, 42, 48, 49, 50, 62, 69, 124

Commission Consultative Group (CCG), 59, 62

Commissioners, 9, 10, 18, 21, 23, 26, 37, 48, 49, 55, 59, 60, 124–125

 Assistant Commissioners, 10, 59

 Hall, Peter *See* Chief Commissioner

 McDonald, Patricia, 5, 9, 10, 124

 part-time Commissioners, 10, 59

 remuneration, 59, 60, 124–125

 Rushton, Stephen, 5, 9, 10, 124

Commonwealth Ombudsman, 15, 47, 53, 105, 106

Communications and Media Section, 4, 9, 11

complaints, 4, 10, 12, 47

 anonymous complaints *See* anonymous complaints

 Assessment Panel *See* Assessment Panel

 case studies *See* complaints (case studies)

 Commission officers, against, 50, 53–54

 complaints profile, 19–20, 98–100

 outcomes of matters, 37, 54, 103

 PIDS *See* public interest disclosures (PIDs)

 public authorities and ministers, reports from *See* reports from public authorities and ministers

 public complaints, 21–23

 social media, 19

complaints (case studies)

 accessing COVID-19 patient test results, 24, 25

 alleged abuse of working-from-home arrangements, 22, 24

 favouring suppliers or poor procurement practices, 28, 29

 jobs for mates, 20, 21

compliance and accountability, 15, 47–57

 access to information, 47, 51, 54, 120–123

 accountability, 14, 15

 compliance framework, 47–48

 corrupt conduct findings, 4, 6, 13, 57

 external governance *See* external governance

 internal governance *See* internal governance

 privacy and personal information, 47, 54

 prosecution/disciplinary action, 57, 106–119

 public inquiries *See* public inquiries

 public reports *See* publications

Strategic Plan 2017–2021, 12, 14

Compliance and Policy Monitoring Register, 59

compulsory examinations, 4, 10, 11, 13, 35, 37, 54, 102, 126

 snapshot, 6

conditions of employment, 60

consultants, engagement and use of, 92, 129

Corporate Services Division, 4, 9, 11, 59–65, 128, 129

 Audit and Risk Committee, 47, 59, 61, 62, 63, 93

 Commission Consultative Group, 59, 62

 Compliance and Policy Monitoring Register, 59

 conditions of employment, 60

 consultants, engagement and use of, 92, 129

 COVID-19, impact of *See* COVID-19

- credit card certification, 131
 - Crisis Management Plan, 61
 - Employee Self Service (ESS) system, 60
 - Finance Unit, 9, 61–62
 - hazard/injury reports, 61, 129
 - ICAC Award, 59, 60, 62
 - ICT *See* information management and technology (ICT)
 - industrial relations, 60
 - insurance activities, 62, 83
 - internal committees *See* internal governance
 - major works projects, 131
 - Multicultural Policies and Services Program, 126–127
 - overseas travel, 131
 - payment performance indicators, 130
 - policies and procedures, 59
 - risk management *See* risk management
 - salaries and allowances, 60, 126–127
 - security vetting, 61
 - Senior Leadership Forum, 61, 62
 - staff numbers, 59
 - staff performance management, 60–61
 - staff training *See* training (staff)
 - Strategic Plan 2017-2021*, 14, 126, 128
 - work health and safety *See* work health and safety
 - workforce diversity, 126–127
 - corrupt conduct, 9
 - assessment *See* Assessment Panel; Assessments Section
 - corrupt conduct findings, 4, 5, 6, 13, 57
 - prevention *See* Corruption Prevention Division
 - snapshot, 6
 - Corruption Matters* (e-newsletter), 7, 57
 - Corruption Prevention Division, 4, 9, 10–11, 14, 26, 28, 33, 41–45, 49
 - advice, provision of, 42
 - Advice on developing a fraud and corruption control policy*, 42
 - agency adoption of recommendations, 104
 - Anti-bribery management systems (ISO 37001), 42
 - audit and risk committees, guidance for, 41
 - Corruption Prevention Policy Framework, 49
 - Dealing with corruption, fraud and the ICAC: the role of public sector audit and risk committees*, 41, 57
 - education *See* Corruption Prevention Division (education/training)
 - executive short course (ANZSOG/ICAC), 45
 - Fraud and Corruption Control* (AS 8001:2021), 42
 - Fraud and corruption control policy guidance*, 57
 - Investigation into complaints of corruption in the management of water in NSW and systemic non-compliance with the Water Management Act 2000*, 43, 56
 - Investigation into the conduct of a Service NSW officer*, 45, 56
 - lobbying *See* lobbying practices in NSW
 - Local Government Professionals and the Corruption Prevention Network, 44–45
 - NSW Fraud and Corruption Control Policy* (Treasury Circular 18-02), 42
 - policy development, guidance on, 42
 - Prevention Management Group, 47, 49, 62
 - projects, 41–42
 - Sample fraud and corruption control policy*, 57
 - SIRU support, 33, 34
 - snapshot, 6
 - Strategic Plan 2017-2021*, 13
 - training *See* Corruption Prevention Division (education/training)
 - Corruption Prevention Division (education/training), 42–44, 45
 - COVID-19, impact of, 43, 45
 - executive short course (ANZSOG), 45
 - rural and regional outreach visits, 14, 45
 - speaking engagements, 4, 6, 39, 41, 44–45, 59, 60, 105
 - workshops *See* workshops
 - YouTube channel, 5, 7, 42, 45, 126
 - Corruption Prevention Network (CPN), 44–45
 - Corruption Prevention Policy Framework, 49
 - COVID-19, 4, 75
 - accessing patient test results, 24, 25
 - alleged abuse of working-from-home arrangements, 22, 24
 - Corruption Prevention Division, 43, 45
 - Crisis Management Plan, 61
 - ICAC office, closure of, 20
 - information management and technology, 64
 - Investigation Division, 32, 35, 39
 - National Investigations Symposium, reschedule of, 39
 - public inquiries, 55
 - risk management, 61
 - Strategic Intelligence and Research Unit, 35
 - training, 4, 43, 45, 60
 - work health and safety, 128
 - workshops, 4, 43, 45, 60
 - CPN *See* Corruption Prevention Network (CPN)
 - credit card certification, 131
 - Credo (Operation), 115
 - Crimes Act 1900*, 106–119
 - Crisis Management Plan, 61
 - cyber security, 64, 65
 - Attestation Statement, 65
 - Cygnets (Operation), 45, 56, 104, 118
- ## D
- Dasha (Operation), 13, 44, 56, 104, 118–119
 - DBI *See* Digital Business Improvement (DBI) project
 - Dealing with corruption, fraud and the ICAC: the role of public sector audit and risk committees*, 41, 57
 - Department of Home Affairs (Cth), 105
 - Digital Business Improvement (DBI) project, 38–39
 - Digital Business Improvement project, 38–39
 - Director of Public Prosecutions (DPP), 4, 11, 12, 37, 49, 57, 106–119, 133
 - snapshot, 6
 - disclosure *See* public interest disclosures (PIDs)
 - DPP *See* Director of Public Prosecutions (DPP)
 - DRIVES database (Service NSW), 45
- ## E
- Eclipse (Operation), 4, 41, 56
 - education *See* training
 - Electoral Funding Act 2018*, 32
 - Ember (Operation), 13, 38

EMG *See* Executive Management Group (EMG)
 Estry (Operation), 104, 116–117, 119
 examinations, compulsory *See* compulsory examinations
 Executive Management Group (EMG), 10, 12, 47, 48, 49, 59, 62, 124–125
 Executive Support Section, 4, 9, 10
 expenses, 16 *See also* financial statements
 exposing corruption *See* Assessments Section; Investigation Division
 external governance, 49–53
 Auditor-General *See* NSW Auditor-General
 Commonwealth Ombudsman, 15, 47, 53, 105, 106
 Inspector of the ICAC *See* Inspector of the ICAC
 LECC Inspector, 15, 47, 52–53
 Parliamentary Committee on the ICAC, 5, 14, 15, 47, 49–50, 56, 62

F

Finance Unit, 9, 61–62
 financial overview, 16
 financial statements, 67–96
Fraud and corruption control policy guidance, 57
 functions *See* aims and functions

G

Gerda (Operation), 45, 104, 117–118
 GIPA Act *See* Government Information (Public Access) Act 2009
Government Information (Public Access) Act 2009, 53, 54
 ICAC's obligations, report on, 120–123
Government Sector Finance Act 2018, 52, 67, 68, 75
 Governor of NSW, 59

H

Halifax (Operation), 41
 Hall, Peter *See* Chief Commissioner
 hazard/injury reports, 61, 129
Health Records and Information Privacy Act 2002, 54

I

ICAC Act *See* Independent Commission Against Corruption Act 1988
 ICAC Award, 59, 60, 62
 ICT *See* information management and technology (ICT)
 IMG *See* Investigation Management Group (IMG)
 Independent Broad-based Anti-Corruption Commission, 38, 102
Independent Commission Against Corruption Act 1988, 10, 20, 37, 47, 48, 54, 55, 59
 s 10: 18, 19, 20, 21, 22, 23, 53–54, 98, 99, 100, 103
 s 11: 18, 19, 23, 24, 25, 26, 27, 29, 47, 98, 99, 100, 103
 s 12A: 26
 s 13A: 18, 32
 s 16(1): 23

 s 20(5): 47
 s 31B: 47
 s 47: 76
 s 50: 132
 s 53: 10, 28, 29, 33
 s 54: 10, 18, 28, 29, 33
 s 57B, s 57B(5): 50, 51
 s 64: 49
 s 73: 18
 s 74: 37
 s 75: 5, 52, 55, 62
 s 76: s 76(2), s 76(2)(ba)(i), s 76(2)(ba)(ii), s 76(2)(ba)(iii), s 76(2)(ba)(iv), s 76(2)(ba)(v), s 76(2)(ba)(vi), s 76(2)(d): 54, 56, 102, 103
 s 77A: 51
 s 78(2): 3
 s 80, s 80(c): 109, 116, 117
 s 87, s 87(1): 106, 107, 108, 109, 110, 111, 113, 114, 115, 116, 117, 118, 119, 133
 s 88(2)(a): 110
 s 89, s 89(a): 109, 110, 116
 s 92: 116
 s 93: 132
 s 94: 132
 s 111E(2): 104
 s 112, s 112(2): 51, 107
Independent Commission Against Corruption Amendment Bill 2015, 53
Independent Commission Against Corruption Amendment (Validation) Act 2015, 53
 independent funding model, 5, 52, 55–57, 62
 A parliamentary solution to a funding model for the ICAC, 52, 55–57
 The effectiveness of the financial arrangements and management practices in four integrity agencies, 5, 52, 56
 The need for a new independent funding model for the ICAC, 5, 56
 Indus (Operation), 106
 industrial relations, 60
Information for Witnesses, 37, 131–133
 information management and technology (ICT), 64–65
 Applications Services Group, 64
 'Corruption prevention for ICT professionals,' 43–44
 'Corruption prevention for planning professionals,' 44
 COVID-19, impact of, 64
 cyber security *See* NSW Cyber Security Policy
 information security, 64
 new projects, 64
 upgrades, 64
 Inspector of the ICAC, 12, 14, 15, 47, 49, 50–51, 53, 54, 56
 memorandum of understanding, 51, 53
 Report of an audit of applications for and execution of Search Warrants by the Independent Commission Against Corruption for 2018–19, 51
 Report pursuant to sections 57B(5) and 77A of the Independent Commission Against Corruption Act 1988 determining a complaint by Mr Arthur Moses SC on behalf of the Hon Gladys Berejiklian MP against the Commission, 51
 Telecommunications (Interception and Access) Act 1979 (*Cth*) - *Serious Gap in Inspector's Powers*, 51

Inspector of the Law Enforcement Conduct Commission (LECC), 15, 47, 52–53
 Institute of Public Administration Australia (NSW Div.), 39
 insurance activities, 62, 83
 Inter-Agency Technical Group, 106
 Interception Consultative Committee, 105
 internal governance, 48–49, 62
 Audit and Risk Committee, 47, 59, 61, 62, 63, 93
 Commission Consultative Group, 59, 62
 Corruption Prevention Policy Framework, 49
 Executive Management Group, 10, 12, 47, 48, 59, 62, 124
 Investigation Management Group, 29, 34, 47, 49, 62
 Investigation Policy Framework, 49
 legal review, 48
 Operations Manual, 49
 Prevention Management Group, 47, 49, 62
 Senior Leadership Forum, 61, 62
 Work Health and Safety Committee, 47, 62, 128
 International Organization for Standardization (ISO)
 Anti-bribery management systems (ISO 37001), 42
 Investigation Division, 4, 9, 10, 12, 26, 29, 31–39, 49, 105, 125–125, 128
 compulsory examinations, 4, 10, 11, 13, 35, 37, 54, 102, 126
 COVID-19, impact of, 32, 35, 39
 Digital Business Improvement project, 38–39
 improving investigative practices, 39
 Information for Witnesses, 37, 131–133
 Investigation Management Group, 29, 34, 47, 49, 62
 investigation outcomes, 37, 103
 Investigation Policy Framework, 49
 investigations, 34–36
 issues impacting investigations, 32–33
 learning and professional development, 39
 National Investigations Symposium, 39
 Operations *See* Operations
 preliminary investigations, 7, 33, 34, 35, 36
 proceeds of crimes, 37, 38, 111
 public inquiries *See* public inquiries
 referrals and other disseminations, 38–39
 reports to Parliament, 6
 review and amendment to investigation KPIs, 34, 35
 SIRU *See* Strategic Intelligence and Research Unit (SIRU)
 statutory powers, use of, 36, 37
 Strategic Plan 2017–2021, 12
 witness cooperation policy, 37–38, 131–133
Investigation into the regulation of lobbying, access and influence in NSW, 41, 56
 Investigation Management Group (IMG), 29, 34, 47, 49, 62
 Investigation Policy Framework, 49
 ISO *See* International Organization for Standardization (ISO)

J

Jarah (Operation), 109
 Joint Agency Telecommunication Interception System, 105

K

Keppel (Operation), 37, 55, 59
 key performance indicators (KPIs)
 review and amendment to investigation KPIs, 34, 35
 KPIs *See* key performance indicators (KPIs)

L

Law Enforcement and National Security (Assumed Identities) Act 2010, 47, 48
Law Enforcement Conduct Commission Act 2016, 21
 Law Enforcement Conduct Commission (LECC), 21, 47, 105
 Inspector *See* Inspector of the Law Enforcement Conduct Commission (LECC)
Law Enforcement (Controlled Operations) Act 1997, 47
Law Enforcement (Powers and Responsibilities) Act 2002, 105
 Leadership Development Program (NSW Department of Premier and Cabinet), 39
 learning management system (LMS), 60
 LECC *See* Law Enforcement Conduct Commission (LECC)
 LECC Inspector *See* Inspector of the Law Enforcement Conduct Commission (LECC)
 Legal Division, 4, 9, 11, 26, 49, 128
 legal review, 48
 litigation, 53
 principal legal changes, 53
 liabilities, 16 *See also* financial statements
 LMS *See* learning management system (LMS)
Lobbying of Government Officials Act 2011, 41
 lobbying practices in NSW, 41
 Investigation into the regulation of lobbying, access and influence in NSW, 41, 56
 Lobbying Code of Conduct, 41
 Lobbying of Government Officials Act 2011, 41
 Lobbyists Code of Conduct, 41
 Operation Eclipse, 4, 41, 56
 Operation Halifax, 41
 Local Government Professionals, 44
 LOGO Act *See* *Lobbying of Government Officials Act 2011*

M

major works projects, 131
 McDonald, Patricia (Commissioner), 5, 9, 10, 124
 memoranda of understanding, 51, 53, 105
 Mezzo (Operation), 43, 104
 ministers *See* reports from public authorities and ministers
 mission, 8 *See also* aims and functions; objectives (*Strategic Plan 2017–2021*)
 Mistral (Operation), 45, 56, 119
 MPSP *See* Multicultural Policies and Services Program (MPSP)
 Multicultural Policies and Services Program (MPSP), 126–127

N

National Intelligence Network, 34
 National Investigations Symposium (NIS), 39
 NCAT *See* NSW Civil and Administrative Tribunal (NCAT)

net equity, 16 See also financial statements
 NIS See National Investigations Symposium (NIS)
 Northern Territory Office of the Independent Commission
 Against Corruption, 38, 102
 NSW Attorney General, 38, 47, 48, 52, 133
 NSW Auditor-General, 5, 47, 51–52, 56, 68, 69
 *The effectiveness of the financial arrangements and
 management practices in four integrity agencies*, 5, 52,
 56
 NSW Civil and Administrative Tribunal (NCAT), 53, 123
 NSW Corrective Services, 104, 116, 119
 NSW Crime Commission, 38, 102, 105, 131
 NSW Cyber Security Policy, 64, 65
 Attestation Statement, 65
 NSW Department of Premier and Cabinet, 80, 81
 Leadership Development Program, 39
 NSW Electoral Commission, 12, 32, 38
 NSW Health, 61
 NSW Legislative Assembly, 50
 NSW Legislative Council, 50
 Public Accountability Committee, 42
 NSW Ombudsman, 28, 39
 NSW Parliament, 4, 12, 49, 51, 55, 57, 62
 Code of Conduct for Members, 55
 Committee on the ICAC See Parliamentary Committee on
 the ICAC
 Constitution (Disclosures by Members) Regulation 1983, 55
 Legislative Assembly, 50
 Legislative Council See NSW Legislative Council
 Ministerial Code of Conduct, 55
 NSW Police, 21, 38, 61, 102, 105, 131
 NSW Premier, 51
 NSW Supreme Court, 38, 47, 48, 53, 124
 NSW Treasury, 47, 61, 62, 131
 NSW Fraud and Corruption Control Policy (Circular 18-02),
 42
 Treasury Managed Fund, 62, 83

O

objectives (*Strategic Plan 2017-2021*)
 accountability See compliance and accountability
 exposing corruption See Assessments Section;
 Investigation Division
 our organisation See Corporate Services Division
 preventing corruption See Corruption Prevention Division
 Office of the Registrar of Indigenous Corporations, 38
 Operations, 7, 33, 34, 36
 Acacia, 107
 Artek, 114
 Avon, 43, 56, 104
 Cavill, 108
 Credo, 115
 Cygnets, 45, 56, 104, 118
 Dasha, 13, 44, 56, 104, 118–119
 Eclipse, 4, 41, 56
 Ember, 13, 38
 Estry, 104, 116–117, 119
 Gerda, 45, 104, 117–118
 Halifax, 41
 Indus, 106

Jarah, 109
 Keppel, 37, 55, 59
 Mezzo, 43, 104
 Mistral, 45, 56, 119
 Paragon, 37, 38, 55
 Ricco, 112–114
 Scania, 112
 Sonet, 109
 Spicer, 110
 Tarlo, 104, 115
 Tunic, 110
 Witney, 37, 55
 Yancey, 111
 Yarrow, 116
 Operations Manual, 49
 organisational chart, 9
 our organisation See Corporate Services Division
 overview, 9–16

P

Paragon (Operation), 37, 38, 55
 Parliamentary Committee on the ICAC, 5, 14, 15, 47, 49–50,
 56, 62
 part-time Commissioners, 10, 59
 PID Act See *Public Interest Disclosures Act 1994*
 PIDS See public interest disclosures (PIDs)
 PMG See Prevention Management Group (PMG)
 PPIP Act See *Privacy and Personal Information Protection Act
 1998*
 presentations See speaking engagements; workshops
 preventing corruption See Corruption Prevention Division
 Prevention Management Group (PMG), 47, 49, 62
Privacy and Personal Information Protection Act 1998, 54, 119
 public authorities, reports from See reports from public
 authorities and ministers
Public Finance and Audit Act 1983, 51, 52
 public inquiries, 4, 10, 11, 13, 14, 37, 47–48, 49, 54, 55, 56,
 102, 126
 COVID-19, impact of, 55
Public Interest Disclosures Act 1994, 21, 23, 24
 public interest disclosures (PIDs), 23–24, 25, 101
 alleged abuse of working-from-home arrangements, 22, 24
 outcomes of matters, 37, 103
 public reports See publications
 Public Service Association (PSA) of NSW, 60
 publications, 54–57
 A parliamentary solution to a funding model for the ICAC,
 52, 55–57
 Advice on developing a fraud and corruption control policy,
 42
 annual reports, 34, 50, 54–55, 57, 120
 Corruption Matters (e-newsletter), 7, 57
 *Dealing with corruption, fraud and the ICAC: the role of
 public sector audit and risk committees*, 41, 57
 Fraud and corruption control policy guidance, 57
 Information for Witnesses, 37, 131–133
 *Investigation into complaints of corruption in the
 management of water in NSW and systemic non-
 compliance with the Water Management Act 2000*, 43,
 56

Investigation into the conduct of a Service NSW officer, 45, 56
Investigation into the regulation of lobbying, access and influence in NSW, 41, 56
 investigation reports, 55–56
The need for a new independent funding model for the ICAC, 5, 56
Sample fraud and corruption control policy, 57
 special reports, 55–57

R

reporting by ICAC
 investigations, 55
 Operations *See* Operations
 public inquiries *See* public inquiries
 publications *See* publications
 special reports, 55–57
 statutory reporting, 38, 102–103
 reports from public authorities and ministers, 24–26
 accessing COVID-19 patient test results, 24, 25
 favouring suppliers or poor procurement practices, 28, 29
 reports profile, 25, 27, 98–100
 reports (ICAC) *See* publications
 Reserve Bank of Australia, 5
 revenue, 16 *See also* financial statements
 Ricco (Operation), 112–114
 risk management, 11, 48, 59, 60, 61, 62, 63, 93
 COVID-19, impact of, 61
 hazard/injury reports, 61, 129
 RMS *See* Roads and Maritime Services (RMS)
 Roads and Maritime Services (RMS), 38, 55
 rural and regional outreach visits, 14, 45
 Rushton, Stephen (Commissioner), 5, 9, 10, 124

S

salaries and allowances, 60, 126–127
Sample fraud and corruption control policy, 57
 Scania (Operation), 112
 SEDnode Groups, 105
 Senior Leadership Forum, 61, 62
 Service NSW, 45, 119
 DRIVES database, 45
 SIRU *See* Strategic Intelligence and Research Unit (SIRU)
 snapshot 2020–21, 6–7
 social media, 11, 12, 20, 39
 complaints, 19
 Twitter account, 5
 videos (educational), 5, 45, 126
 YouTube channel, 5, 7, 42, 45, 126
 Sonet (Operation), 109
 SOORT *See* Statutory and Other Offices Remuneration Tribunal (SOORT)
 South West Local Health District Corruption Prevention Committee, 105
 speaking engagements, 4, 6, 39, 41, 44–45, 59, 60, 105 *See also* workshops
 Special Networks Committee, 106
 Spicer (Operation), 110

Standards Australia
 Fraud and Corruption Control (AS 8001:2021), 42
 Statutory and Other Offices Remuneration Tribunal (SOORT), 60
 statutory powers, 11, 37, 47, 48
 Operations Manual, 49
 statutory reporting, 38, 102–103
 strategic alliances, 12, 105–106
 Strategic Intelligence and Research Unit (SIRU), 9, 10, 33–34, 35, 36, 105
 capability development, 33
 COVID-19, impact of, 35
 inter-agency collaboration, 33–34
 KPI, 34
 National Intelligence Network, 34
 NSW Local Council Pilot Project, 33
 preliminary investigations, 7, 33, 34, 35, 36
 Strategic Intelligence Project, 35
Strategic Plan 2017–2021, 12, 13, 14, 126, 128
 objectives *See* objectives (*Strategic Plan 2017–2021*)
 structure of ICAC, 10–11, 49, 52
 Assessments Section, 9, 10, 18, 26, 34
 Chief Executive Officer, 9, 10, 26, 42, 48, 49, 50, 62, 69, 124–125
 Commissioners *See* Commissioners
 Communications and Media Section, 4, 9, 11
 Corporate Services Division *See* Corporate Services Division
 Corruption Prevention Division *See* Corruption Prevention Division
 Executive Management Team, 10, 124
 Executive Support Section, 9, 10
 internal committees *See* internal governance
 Investigation Division *See* Investigation Division
 Legal Division, 4, 9, 11, 26, 49, 128
 organisational chart, 9
Surveillance Devices Act 2007, 47

T

Tarlo (Operation), 104, 115
Telecommunications (Interception and Access) Act 1979 (Cth), 36, 47, 51
The need for a new independent funding model for the ICAC, 56
 TMF *See* Treasury Managed Fund (TMF) (NSW)
 training, 6, 12, 39
 Corruption Prevention Division, by, 41, 42–44, 45
 COVID-19, impact of, 4, 43, 45, 60
 executive short course (ANZSOG/ICAC), 45
 rural and regional outreach visits, 14, 45
 staff *See* training (staff)
 workshops *See* workshops
 YouTube channel, 5, 7, 42, 45, 126
 training (staff), 7, 59–60, 126, 127, 128
 Leadership Development Program, 39
 learning management system, 60
 Women and Leadership Australia, 39
 Transport for NSW, 38
 Treasury (federal), 5
 Treasury Managed Fund (TMF) (NSW), 62, 83

TRIM record-keeping system, 33
Tunic (Operation), 110
Twitter (ICAC), 5

V

Victorian Police, 38, 102
videos (educational), 5, 45, 126

W

website, 5, 7, 14, 19–20, 21, 24, 37, 47, 48, 50, 51, 54, 55, 57
Western Australian Corruption and Crime Commission, 105
witness cooperation policy, 37–38, 131–133
Witney (Operation), 37, 55
Women and Leadership Australia, 39
work health and safety, 128–129
 COVID-19, impact of, 128
 hazard/injury reports, 61, 129
Work Health and Safety Committee, 47, 62, 128
workforce diversity, 126–127
workshops, 4, 6, 39, 43–44, 45, 60, 127 *See also* speaking engagements
 ‘Corruption prevention for ICT professionals,’ 43–44
 ‘Corruption prevention for planning professionals,’ 44
 COVID-19, impact of, 4, 43, 45, 60
 open workshop program, 43

Y

Yancey (Operation), 111
Yarrow (Operation), 116
YouTube (ICAC), 5, 7, 42, 45, 126



INDEPENDENT COMMISSION
AGAINST CORRUPTION
NEW SOUTH WALES

9 am – 5 pm Monday to Friday

Level 7, 255 Elizabeth Street
Sydney NSW 2000 Australia

GPO Box 500
Sydney NSW 2001 Australia

Phone: 02 8281 5999

Toll free: 1800 463 909 (outside metropolitan Sydney)

National Relay Service users: ask for 02 8281 5999

Fax: 02 9264 5364

icac@icac.nsw.gov.au

www.icac.nsw.gov.au