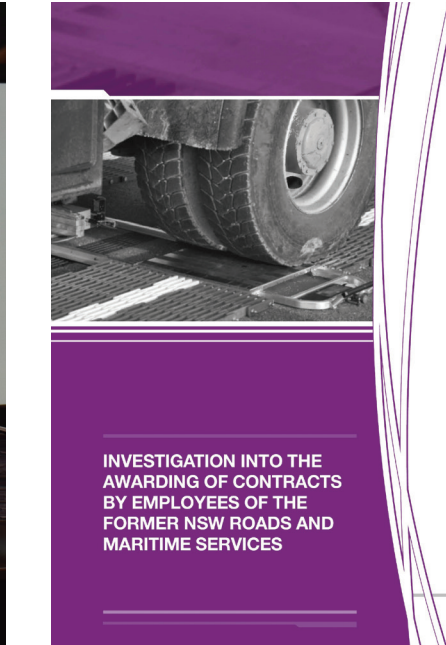
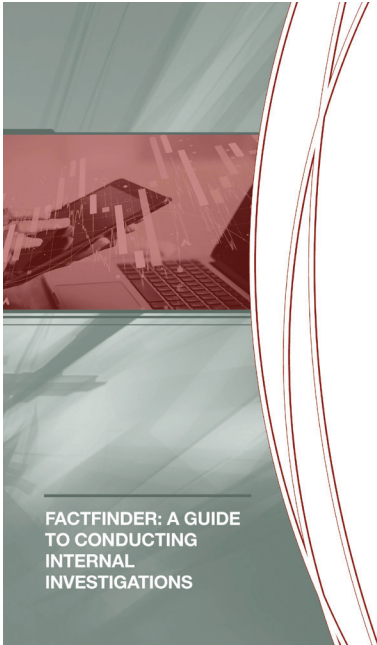




NSW ICAC Forum on
Pork Barrelling



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 2022 – 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 \$3,682.07 (including GST). The report is available on the ICAC website www.icac.nsw.gov.au.

Contents

TRANSMISSION LETTER	3	Public inquiries and compulsory examinations	36
CHIEF COMMISSIONER'S FOREWORD	4	Investigation outcomes	37
SNAPSHOT 2021–22	6	Proceeds of crime	37
CHAPTER 1: OVERVIEW	8	Referrals and other disseminations	37
Organisational chart	9	Improving digital forensic capability	37
Structure of the ICAC	10	National Investigations Symposium	38
What we do	12	Learning and professional development	38
Exposing corruption	12	Strategic Capability Committee	38
Preventing corruption	13	Digital transformation strategy	38
Accountability	14	National Anti-Corruption Investigation Network	38
Our organisation	14	CHAPTER 4: PREVENTING CORRUPTION	40
Financial overview	16	Corruption prevention projects	41
CHAPTER 2: ASSESSING MATTERS	17	Advice	42
Performance in 2021–22	18	Education	42
Profile of matters received	18	CHAPTER 5: COMPLIANCE AND ACCOUNTABILITY	46
Anonymous complaints	20	The Commission's compliance framework	47
Complaints from the public	21	Internal governance	48
Public interest disclosures	23	External governance	49
Reports from public authorities and ministers	24	Principal legal changes	53
The assessment process	26	Litigation	53
CHAPTER 3: INVESTIGATING CORRUPTION	31	Complaints against Commission officers	54
Significant issues impacting investigations in 2021–22	32	Privacy and personal information	54
Strategic Intelligence and Research Unit	33	Access to information	55
How we investigate	34	Report publicly about the work of the Commission	55
Our investigations	34	Corrupt conduct findings and recommendations for prosecution/disciplinary action	59
Use of statutory powers	36		

CHAPTER 6: OUR ORGANISATION **60**

Human resources, risk management and corporate administration	61
Finance	64
Internal committees	64
Information management and technology	66
Modern day slavery statement	67

FINANCIALS **70**

Statement of Comprehensive Income for the year ended 30 June 2022	75
Statement of Financial Position as at 30 June 2022	76
Statement of changes in equity for the year ended 30 June 2022	77
Statement of cash flows for the year ended 30 June 2022	78
Notes to and forming part of the financial statements for the year ended 30 June 2022	79

APPENDICES **101**

Appendix 1 – Complaints profile	102
Appendix 2 – Public interest disclosures	105
Appendix 3 – Statutory reporting	106
Appendix 4 – Outcomes of matters	107
Appendix 5 – Adoption of corruption prevention recommendations	108
Appendix 6 – Strategic alliances to optimise investigative outcomes	109
Appendix 7 – Prosecution and disciplinary action in 2021–22 arising from ICAC investigations	111

Appendix 8 – Report on the ICAC's obligations under the <i>Government Information (Public Access) Act 2009</i>	128
Appendix 9 – Commissioners, Chief Executive Officer and executive officers	132
Appendix 10 – Workforce diversity	134
Appendix 11 – Work health and safety	135
Appendix 12 – Engagement and use of consultants	137
Appendix 13 – Payment performance indicators	137
Appendix 14 – Credit card certification	138
Appendix 15 – Overseas travel	138
Appendix 16 – Major works	138

INDEX **139**

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 2022.

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 John Hatzistergos AM
Chief Commissioner



Philip Reed
Chief Executive Officer

Chief Commissioner's foreword



I took up my post as Chief Commissioner of the NSW Independent Commission Against Corruption (“the Commission”) on 7 August 2022, outside the period covered by this annual report. In this foreword, I will refer to the work that is described in the report, after another year that was very active for the Commission, while also describing how some aspects of the next five years may evolve under the leadership of part-time Commissioners the Hon Helen Murrell SC and Paul Lakatos SC, and myself.

The report shows that the Commission conducted some major investigative work in 2021–22, while continuing to fulfil its corruption prevention and training functions, all within the still quite restrictive environment of COVID-19 health measures.

It is important to note that reports and complaints to the Commission experienced an increase, up to 3,570 from 2,916 in the previous year. In fact, the total number of matters received by the Commission in 2021–22 is the highest since 1996–97. While most of what is reported does not always progress to full investigations and public inquiries and/or reports, as explained in Chapter 2, this increase does show that the Commission is perceived as a relevant body to which people believe they can report suspected corrupt behaviour in the public sector.

The Commission conducted five public inquiries over 59 days, and made 35 serious corrupt conduct findings against 11 people. Recommendations were made to seek the opinion of the Director of Public Prosecutions with respect to prosecuting 28 people. There is further information about investigation activity in Chapter 3.

In 2021–22, the Commission reached over 11,000 people through anti-corruption presentations and training. Work also began on the next Australian Public Sector Anti-Corruption Conference (APSACC), which the Commission is co-hosting with the Australian Commission for Law Enforcement Integrity and the NSW Law Enforcement Conduct Commission, plus partner integrity agencies from across Australia. The conference will be held in Sydney in November and there is further information about the Commission’s corruption prevention activity in Chapter 4.

The Commission has further embraced external communication practices through the live streaming of its public inquiries, and the establishment of its own social media presence on YouTube and Twitter. This report shows that more than 1.6 million internal visitor sessions were recorded to the Commission’s website which, while not only more than doubling the previous year, were often to the live streaming pages. The YouTube channel, which carries mainly education material, recorded 109,000 views.

In recent years, the Commission has made representations about how it is funded and raised issues with the NSW Government over a significant period of time about its struggles with insufficient funding. The Commission welcomes the appropriation for 2022–23 which sees a marked increase that is enabling it to add to its staff complement, and is the most significant staffing increase in the Commission’s history. The Commission acknowledges the support of the Parliamentary Committee on the ICAC with regards to its funding issues and requests.

So what does all of this mean for the Commission's future over the next five years? These additional resources will undoubtedly assist in enabling the Commission to deal with matters more efficiently, such as the time taken to produce investigation reports, as we are able to appoint more staff to address the shortfall that has become its experience of several years.

Our focus includes looking at how the Commission approaches what it does and what might be other ways of doing things, including examining its strategic direction. With our highly-skilled and experienced staff, we as new Commissioners are keen to take the opportunity to review things like policies and procedures, to see where our experiences might help to bring about enhancements and innovations.

On the subject of innovation, the concept of conducting a forum in public where a subject was discussed by experts in a panel environment is a new approach for the Commission, in bringing its work into the public arena. Looking at new ways of doing or trying things will be an important aspect of ensuring the Commission's growth over the next five years and beyond.

Another focus that the Commission is keen to explore is that of aligning its education activities to the incidence of corruption risk. To this end the Commission will also need to focus on emerging risks as the methods by which public service delivery changes. The Commission has, as previously mentioned, reached thousands of people this year. This is to its credit as it cannot be a simple task when trying to reach every corner of the state, and these days so often through remote learning.

In the coming months, in the lead up to the state election next March, we will be focusing on educating members of Parliament (MPs) to help ensure that our elected representatives are clear about their responsibilities particularly as some seek to transition out of elected office. The provision of education will continue after the election to ensure that new MPs are well-equipped with the knowledge and resources needed to fulfil their obligations regarding the ICAC Act and related legislation.

As we approach the 2023 NSW election, it is once again timely to remind candidates for public office that they should act properly in making referrals to the Commission. Investigations into allegations of corrupt conduct are rarely if ever assisted by premature publicity. It is inappropriate to weaponise a referral to the Commission for attention or political advantage. All accusations of corruption are extremely serious and should not be made lightly. This should be heeded at all times. I do not suggest that appropriate referrals should not be made. Indeed for some there are legislated obligations to do so. However, the Commission's focus remains on corrupt conduct not any matter that attracts comment or controversy.

The Commission also acknowledges the importance of its own accountability and transparency, and recognises the important oversight functions of the Parliamentary Committee on the ICAC and the Inspector of the ICAC. The Commission will continue to work with the Parliamentary Committee on the ICAC, including assisting with its enquiries. The Commission also acknowledges the work of the previous Inspector, Bruce McClintock SC, and welcomes the recently appointed Inspector, Gail Furness SC.

Responsibility is never to be taken lightly, and as I stand at the beginning of the next five years, I look forward to working with Commissioners Murrell and Lakatos, the Commission's executive and staff to continue and build on the important work that the Commission has undertaken over the past 33 years to serve the state of NSW and its people.

The annual report 2021–22 stands as an important legacy of the original three-Commissioner model occupants the Hon Peter Hall QC, Patricia McDonald SC and Stephen Rushton SC. We now look forward to creating our own.



The Hon John Hatzistergos AM
Chief Commissioner

Snapshot 2021–22

Public inquiries



conducted
5

over
59
days

Compulsory examinations



conducted
77

over
67
days

Corrupt conduct

35

serious corrupt conduct
findings made against
11 people



Prosecution advice

28

recommended the
advice of the Director
of Public Prosecutions
be sought regarding the
prosecution of 28 people



3,570

Matters received and
managed

3

Investigation
reports
furnished to
Parliament

11,000



Over 11,000
people were
reached through
anti-corruption
speaking
presentations and
training workshops

Corruption prevention



presentations and training

166 anti-corruption speaking
presentations and training workshops

166



advice provided

160
occasions

Preliminary investigations



commenced
(new)

16

6 SIRU*



completed

14

3 SIRU*



completed
within 120-day
target

73%

Operations

commenced (new)



7

completed



11



Recorded 352 staff attendances at learning activities, equating on average to each staff member participating in 15.91 hours of formal development



Recorded over 1.6 million external visitor sessions to the ICAC website, more than double the previous year



Published two editions of the *Corruption Matters* e-newsletter, each reaching over 1,300 subscribers, with readers located in Australia and overseas



Recorded 109,000 views on the ICAC's YouTube channel

*The Strategic Intelligence and Research Unit

Chapter 1: Overview

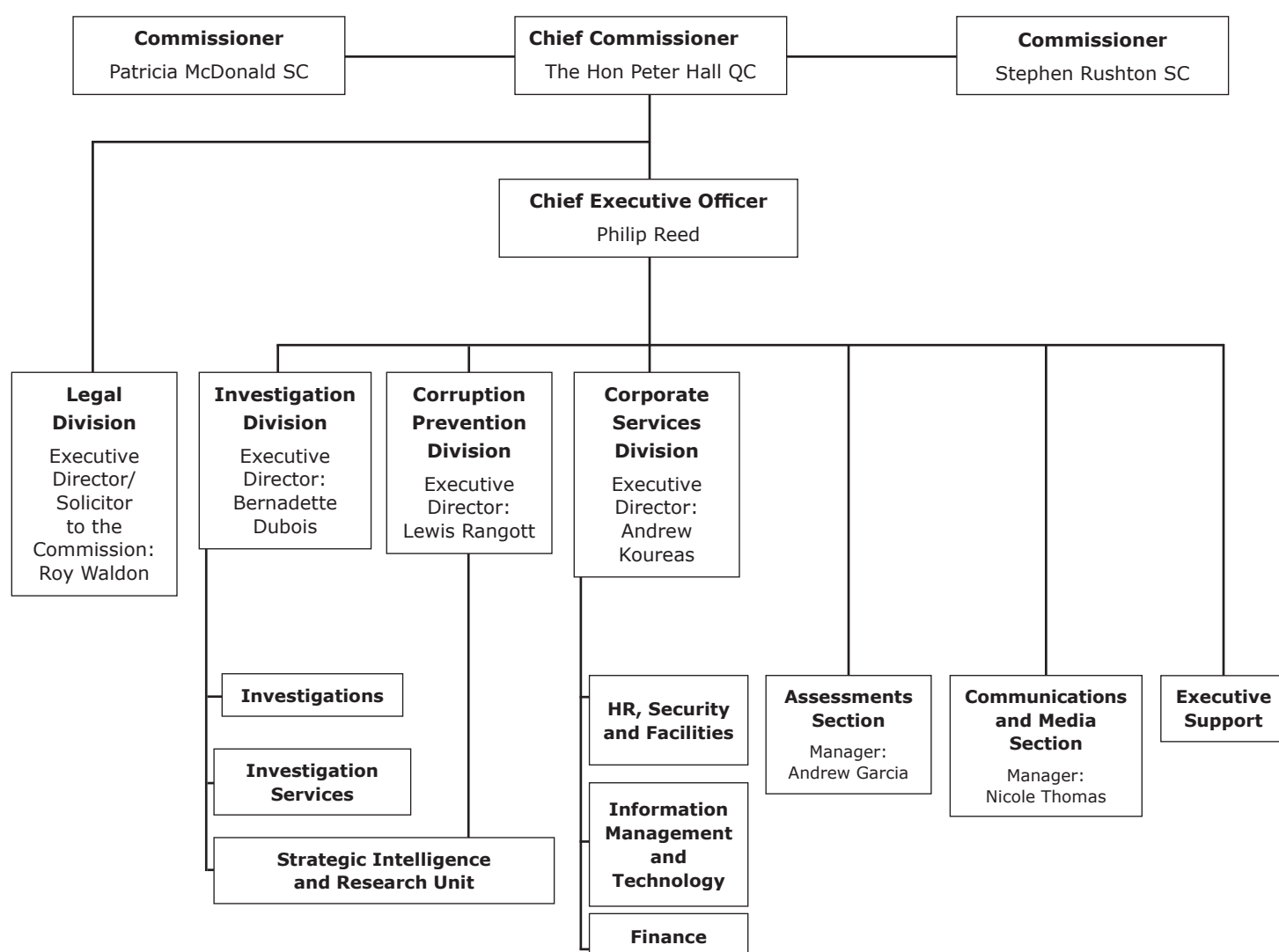
Organisational chart.....	9
Structure of the ICAC	10
What we do.....	12
Exposing corruption	12
Preventing corruption	13
Accountability	14
Our organisation.....	14
Financial overview	16

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 2022.

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's 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 was the Chief Commissioner for the reporting period, and the part-time Commissioners were 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 2021–22.

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 4.7 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 2021–22. In the reporting period, the section had an average of 11.44 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 unit 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 2021–22. In the reporting period, the division had an average of 52.96 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 2021–22. In the reporting period, the division had an average of 15.78 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 2021–22. In the reporting period, the division had an average of 11.43 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 2021–22. In the reporting period, the division had an average of 18.55 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 2021–22. In the reporting period, the section had an average of 4 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 2021–22:

- 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 2017–21* 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 2021–22.

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 repute 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 2021–22.

Table 1: Key quantitative results for corruption exposure activities

Measure	Target*	2021–22	2020–21	2019–20
Matters received	n/a	3,570	2,916	2,416
Average time to deal with matters (days) in Assessments Section	68	26	32	28
Preliminary investigations commenced	n/a	13	16	14
Preliminary SIRU investigations commenced**	n/a	6	4	5
Full investigations commenced	n/a	7	7	5
Percentage of full investigations completed within 16 months	>70%***	64%	20%	30%
Number of public inquiries	n/a	5****	3	4*****
Number of public inquiry days	n/a	59	68	56
Number of compulsory examinations	n/a	77	85	63
Number of persons subject to serious corrupt conduct findings	n/a	11	7	6
Number of investigation reports to Parliament	n/a	3	5	1
Percentage of investigation reports furnished within the ICAC's target	80%	0%	20%	100%
Number of persons against whom prosecutions commenced	n/a	8	10	6
Number of persons against whom disciplinary action commenced arising from investigations	n/a	0	0	0

* 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.

*** In 2020, the Commission commenced a new two-tiered system that reflects the complexity of investigations. This target has been revised to 70% rather than 80%, with this year's result a hybrid of matters reported under both the previous and new systems. The historical figures for 2020–21 and 2019–20 refer to the previous 80% target. See Chapter 3 for more information.

**** This included a further public inquiry in Operation Keppel and the re-opening of the Operation Witney public inquiry.

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

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 2021–22.

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	2021–22	2020–21	2019–20
Requests for corruption prevention advice	125	160	150	142
Rural and regional outreach visits	2	0*	0*	1**
Training sessions delivered	80	106	100	116
Corruption prevention recommendations in investigation reports published during the period	n/a	28***	85	24
Percentage of corruption prevention recommendations in investigation reports accepted in action plans as at 30 June 2022	80%	100%	100%	100%
Percentage of public inquiries that resulted in the making of corruption prevention recommendations	100%	100%	100%	100%
Number of prevention reports published	n/a	4	2	3

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

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

*** Includes policy recommendations made in Operation Aero.

Table 3: Key quantitative results for accountability activities

Measure	2021–22	2020–21	2019–20
Parliamentary Committee on the ICAC meetings	1	2	2
NSW LECC Inspector/Commonwealth Ombudsman inspections of telecommunications intercepts and accesses, surveillance devices and controlled operation records	2	3	3
Number of reports/responses provided to the Inspector of the ICAC	9	59	13
Number of audits conducted by the Inspector of the ICAC	0	0	1
Number of assumed identity audits	1	1	1

Financial overview

Statement of Comprehensive Income

The Commission has achieved a Net Result of -\$1,695 million, which was \$3.286 million unfavourable to budget.

Table 4: Operating Result 2021–22

	\$'000
Expenses	30,435
Revenue	28,744
Loss on Disposal	(4)
Net Result	(1,695)

Table 5: Financial Position 2021–22

	\$'000
Assets	14,176
Liabilities	15,099
Net Assets	(923)

Revenue

The main sources of revenue were recurrent allocations (\$26.298 million or 91%). The capital appropriation received was \$0.687 million, compared to the previous year of \$0.88 million. The Commission also received a grant of \$1.04 million from the Digital Restart Fund.

Expenses

Total expenses were \$30,435 million, representing an increase of \$1.79 million or 6.2% from the previous year.

Employee-related expenses were \$20.417 million, an increase of \$1.002 million or 5.2% compared to last year.

Other operating expenses were \$0.853 million (15%) higher than the previous year, which was incurred across a range of expense items such as legal (\$218,000), maintenance (\$159,000), other contractors (\$179,000) and insurance premium (\$99,000).

Assets

Total Assets decreased by \$3.079 million (17.8%) due largely to reduced cash balances and right of use asset (lease).

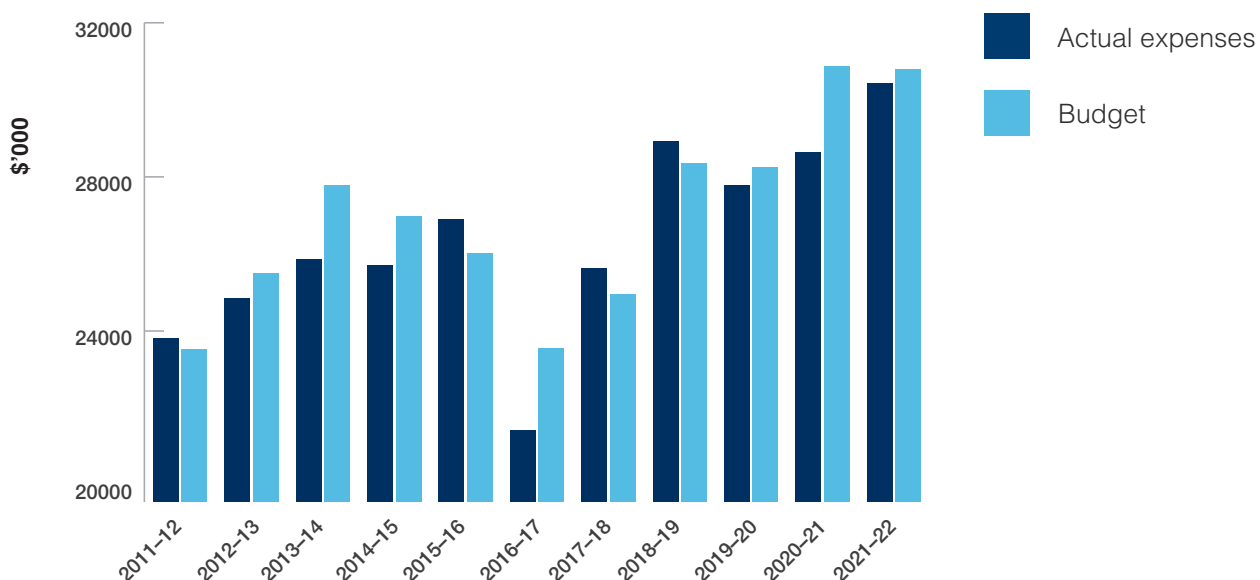
Liabilities

Total Liabilities decreased by \$1.384 million (8.4%) due largely to reduced non-current lease liabilities (\$2.22 million) offset by increased payables (\$0.181 million) and provisions (asset remediation and restoration \$0.3 million).

Net Equity

The Commission's equity decreased by \$1.695 million, resulting in a negative equity of \$0.923 million.

Figure 1: Total expenditure budget and actuals



Chapter 2: Assessing matters

Performance in 2021–22	18
Profile of matters received.....	18
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, outside the Commission's jurisdiction or considered simply 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 2021–22

In 2021–22, the Commission received and managed a total of 3,570 matters compared with 2,916 received in the previous year. The total number of matters received by the Commission in 2021–22 is the highest received since 1996–97.

In the reporting period, the average time taken to assess and close a matter was 26 days, as compared with the previous year's average of 32 days. This is an outstanding effort, considering the 22% increase in new matters between financial years is coupled with a 19% improvement in the average time for the Commission to deal with them.

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.

Profile of matters received

In the reporting period, the majority of the 3,570 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 35% 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 22% of all matters.

Table 6: Some internal targets and achievements of the Assessments Section in 2021–22

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	29
Average days to review an s 54 report from a public authority and report a matter back to the Assessment Panel	42	26

Table 7: Matters received by category in 2021–22, compared to the previous two years

Category	2021–22		2020–21		2019–20	
Complaint (s 10)	1,244	35%	1,500	51%	1,037	43%
Report (s 11)	798	22%	726	25%	728	30%
Query	436	12%	359	12%	353	15%
Outside jurisdiction	289	8%	222	8%	189	8%
Feedback	740	21%	74	3%	79	3%
Referrals (s 16(1))	56	2%	22	1%	12	< 1%
Own initiative (s 20)	7	< 1%	13	< 1%	18	< 1%
Referral (s 73)	0	0%	0	0%	0	0%
Referral (s 13A)	0	0%	0	0%	0	0%
Total	3,570		2,916		2,416	

Table 7 shows all matters received in 2021–22 by category, compared with the previous two years.

The most significant change between 2020–21 and 2021–22 is the increase in the number of “Feedback” matters received. Feedback matters are those in which people provide unsolicited advice or commentary to the Commission, which may relate to a Commission public inquiry, a Commission project, or the Commission generally. In 2021–22, an issue arose that attracted significant interest from members of the public, resulting in the Commission receiving over 600 Feedback matters (more than 90% of which were received in a single calendar month).

The 2021–22 reporting period is the second financial year in a row in which the Commission received large numbers of matters in a short space of time. The decline in s 10 complaints in 2021–22 compared with the previous reporting period reflects the high number of s 10 complaints received in 2020–21 following two issues that attracted significant interest on social media platforms. However, the number of s 10 complaints received by the Commission in 2021–22 is relatively consistent with the number of s 10 complaints received in other reporting periods since 2017–18.

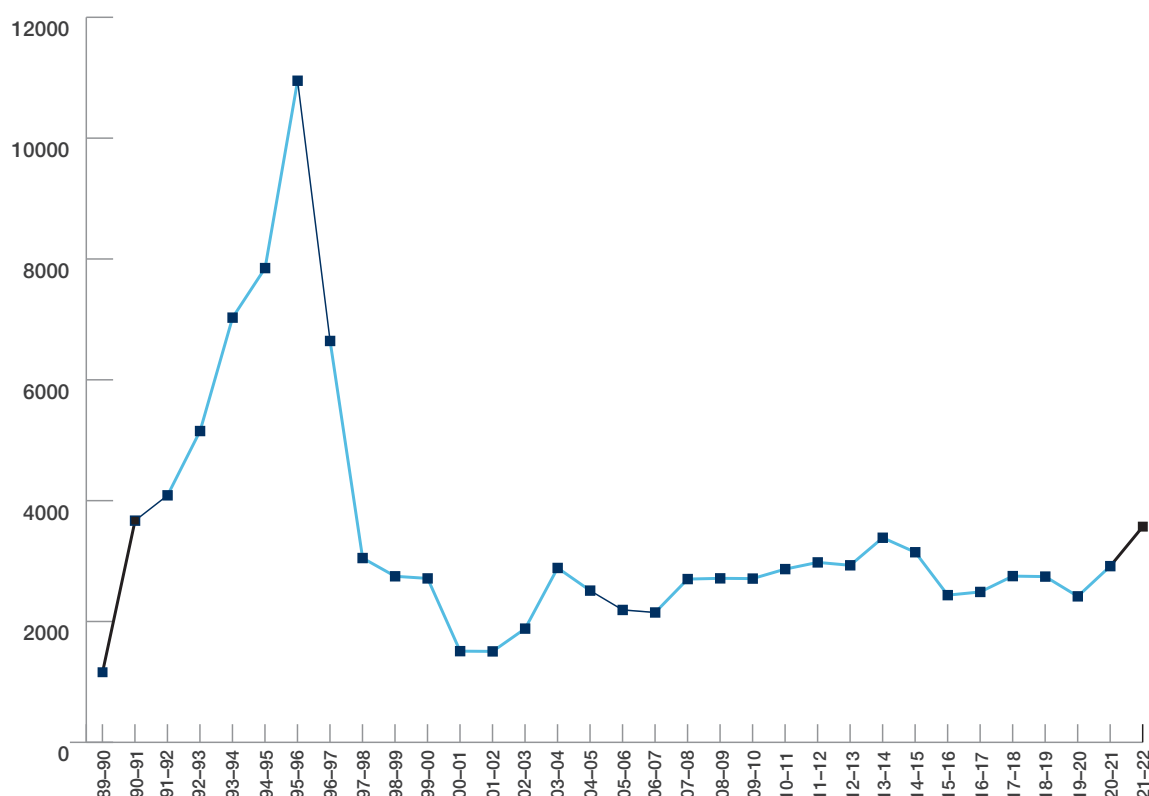
The Commission observed an increase in the number of s 11 reports received in 2021–22 compared with the previous financial years (798 in 2021–22 and 726 in 2020–21). In addition, following changes in reporting by one law enforcement agency, the Commission noted an increase in s 16(1) referrals (56 in 2021–22 and 22 in 2020–21).

Figure 2 provides an overview of matters received since the Commission was established.

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 2021–22, the methods used most frequently by individuals to contact the Commission were the ICAC website (44%), email (30%) and schedule (15%), as shown in Table 8. The most frequently used methods by individuals to contact the Commission remains consistent in 2021–22 with the previous reporting period (the most frequently used methods in 2020–21 were ICAC website 41%, email 29% and schedule 14%).

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.

The allegations didn't stack up

In 2022, the Commission received an anonymous report that the mayor of a local council received a bribe of more than \$20 million from a developer to approve the development of an apartment building in a Sydney suburb.

The Commission took the allegations seriously and reviewed its information holdings and open source information, and was able to identify the likely planning proposal and property that was the subject of the complaint.

The Commission's searches revealed that the local council resolved that it did not support the planning proposal. The mayor of the local council voted in support of this resolution. The council and mayor were also reported in the media as opposing the proposal.

However, the Commission identified that the Department of Planning and Environment was the relevant decision-maker for the planning proposal. The department approved the planning proposal to proceed, subject to various conditions that the developer was required to meet.

The developer also entered into a Voluntary Planning Agreement, requiring it to make a monetary contribution towards public infrastructure. That contribution was not \$20 million as suggested in the anonymous report.

Having regard to the information obtained, the Commission did not investigate the concerns raised. There was no information before the Commission to suggest that the council or its mayor acted corruptly in relation to the proposal. The Commission also considered there was no information to suggest that the department acted corruptly in this matter.

As a precautionary measure due to the COVID-19 pandemic, the Commission's offices were closed between July 2021 and March 2022, which was slightly longer than the Commission's offices closure in the previous reporting period. While the Commission's offices were closed, individuals could not contact the Commission by telephone or in person. It is likely that this contributed to the decline in the proportion of matters received by telephone; from 10% in 2020–21 to 7% in 2021–22.

Table 8: Methods of initial contact for all matters received in 2021–22

Method	Number of matters received	% of matters received
ICAC website	1,566	44%
Email	1,086	30%
Schedule	532	15%
Telephone	233	7%
Letter	130	4%
Other	18	< 1%
Visit	5	< 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 2021–22, 24% of complaints from people (302 matters) were made anonymously. The proportion of anonymous complaints has decreased since 2020–21 (in which 452 matters or 30% of complaints

were anonymous). Of those anonymous complaints, 64 (21%) were classified as public interest disclosures (PIDs). Compared with the previous financial year, the Commission observed a 68% increase in the number of anonymous complaints that were classified as PIDs (38 anonymous complaints were classified as PIDs in 2020–21).

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 2021–22.

Table 9: Complaints from people in 2021–22, showing allegations in the top five government sectors

Sector	Section 10 complaints	% s 10 complaints
Local government	495	40%
Government and financial services	265	21%
Health	122	10%
Law and justice	92	7%
Community and human services	55	4%

As in previous years, the sector most frequently complained about in 2021–22 was local government, with s 10 complaints relating to this sector accounting for 40% of the total volume received (the same proportion as 2020–21). 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 2020–21 and 2021–22 was the decline in s 10 complaints that made allegations involving both NSW public officials and the NSW Police (13% of s 10 complaints in 2020–21 compared with 3% in 2021–22).

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.

Hire-a-friend

In 2021, the Commission received a PID from a public official alleging that a senior NSW public official had engaged in corrupt conduct in relation to recruitment at a NSW public authority. The complaint stated that the senior public official was a member of a selection panel to fill a vacant position and has been friends for over 20 years with a candidate in the recruitment. The complaint alleged that the senior public official did not effectively manage the conflict of interest and bullied members of the selection panel to recommend their friend for appointment to the position.

The Commission reviewed its information holdings and open source information, confirming that the senior public official was engaged by the NSW public authority in the role set out in the complaint. However, limited other details were available to the Commission, including the name of the senior public official's friend. The Commission did not investigate the matter and decided to refer details of the alleged conduct to the NSW public authority for its information and appropriate action. The Commission did so without identifying the public official who made the PID.

The NSW public authority undertook enquiries in relation to the recruitment. Those enquiries found that the senior public official was the convenor of the selection panel and declared a previous working relationship with the successful candidate. The other members of the selection panel confirmed the decision to recommend the successful candidate was unanimous and merit-based. One member of the selection panel also confirmed that the decision was made without coercion. The senior public official responded to the public authority's enquiries, refuting the claim that they shared a 20-year friendship with the successful candidate. Rather, the successful candidate and senior public official worked in the same industry in Sydney and the candidate was a part of the senior public official's professional network. The public authority concluded that there was no evidence to support an allegation of corrupt conduct by the senior public official.

As the public authority was unaware of the name or contact details of the official who made the PID, the Commission notified the official of the outcome of these enquiries into their concerns. As the allegations had been addressed, the Commission took no further action in this matter.

Table 10: Complaints from people in 2021–22, 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	423	34%
Reporting, investigation, sentencing and enforcement	340	27%
Development applications and land rezoning	280	23%
Human resource and staff administration	254	20%
Procurement, disposal and partnerships	187	15%

Note: While the order of the workplace functions has changed, the top five workplace functions mentioned in s 10 complaints are consistent with those reported in 2020–21. There was an increase in the proportion of s 10 complaints that referred to "Development applications and land rezoning"; from 16% in 2020–21 to 23% in 2021–22. The Commission also observed a decline in the proportion of s 10 complaints that referred to "Reporting, investigation, sentencing and enforcement"; from 34% in 2020–21 to 27% in 2021–22.

Table 11: Complaints from people in 2021–22, showing the five most frequent types of corrupt conduct alleged

Types of corrupt conduct	Section 10 complaints	% of s 10 complaints
Partiality	586	47%
Personal interests	433	35%
Improper use or acquisition of funds or resources	398	32%
Improper use of records or information	385	31%
Failure to perform required actions not already listed	271	22%

While the Commission observed a similar number of s 10 complaints making allegations involving "partiality", the proportion of s 10 complaints involving these issues has increased from 37% in 2020–21 to 47% in 2021–22. The Commission also noted a decline in s 10 complaints alleging "corrupt conduct related to investigations or proceedings" (from 30% in 2020–21 to 21% in 2021–22) and an

increase in “Improper use of records or information” (from 25% in 2020–21 to 31% in 2021–22).

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 2021–22, the Commission classified 854 matters as meeting the criteria in the PID Act. Of these, 133 were complaints under s 10 of the ICAC Act and 721 were reports under s 11 of the ICAC Act.

During the reporting period, 845 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. In 2021–22, “Custodial services” became the most common sector referred to in PIDs (26%), replacing “Health” (24% in 2020–21). “Emergency services” became the fifth most common sector in 2021–22 (6%), replacing “Transport, ports and waterways” (6% in 2020–21 and 4% in 2021–22). “Emergency services” has not been in the top five most common government sectors referred to in PIDs in the previous five reporting periods.

Table 12: PID allegations by government sector in 2021–22

Sector	PIDs	% of PIDs
Custodial services	219	26%
Health	187	22%
Education (except universities)	139	16%
Local government	137	16%
Emergency services	49	6%

Table 13: Types of conduct reported as PIDs in 2021–22

Types of conduct reported as PIDs	Number reported	% reported
Improper use of records or information	394	46%
Personal interests	353	41%
Improper use or acquisition of funds or resources	328	38%
Partiality	211	25%
Intimidating or violent conduct	102	12%

Note: The order of the most common types of conduct reported in PIDs in 2021–22 is consistent with that reported in 2020–21. However, the Commission noted slight changes in the proportion of PIDs referring to “Partiality” (from 29% in 2020–21 to 25% in 2021–22) and “Intimidating or violent conduct” (from 10% in 2020–21 to 12% in 2021–22).

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.

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 the action taken in relation to a PID, including the steps the Commission took to protect the identity of the person who made the PID and notify them of the outcome.

If you hadn't resigned, you'd have been fired...

In 2021, the Commission received a report from a NSW public authority alleging an official, who handled their colleagues' workers compensation claims, misused and improperly disclosed information.

The public authority alleged that the official sent emails to a private email account shared by the official and their partner. Those emails contained sensitive and confidential information that the official obtained in their employment, including details of workers compensation claims, legal information, medical information and investigation reports. The official allegedly shared claims information with their colleagues and third parties, without any business need. The official also accessed records without any business need.

The public authority reported its concerns to relevant agencies, initiated an investigation, and suspended the official's access to the relevant computer network while the investigation was underway.

As the public authority was investigating the matter, which it appeared well-positioned to undertake, the Commission decided not to conduct its own investigation into these issues. However, given the serious nature of the alleged conduct, the Commission requested that the public authority advise the Commission of the outcome of its investigation.

The public authority subsequently advised the Commission that the official resigned from their employment. The public authority issued the now former official a letter stating that, had they not resigned, their employment would have been terminated. Having regard to this outcome, the Commission decided to take no further action in this matter.

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 more than half of all PIDs received (53% in 2021–22, compared with 48% in 2020–21 and 50% in 2019–20). The next most common was "Allocation of funds, materials and services" with 28% (which was a slight decrease from 31% of PIDs concerning this function in 2020–21). "Miscellaneous functions" overtook "Reporting, investigation, sentencing and enforcement" and "Procurement, disposal and partnerships" to become the third most frequent workplace function reported in 2021–22 at 18%. "Reporting, investigation, sentencing and enforcement" and "Procurement, disposal and partnerships" accounted for, respectively, 15% and 12% of PIDs in 2021–22.

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.

During the reporting period, the Commission updated its reporting guidelines for principal officers and ministers, providing more detailed advice concerning the duty to report to the Commission under s 11 of the ICAC Act. The Commission also published a "tip sheet", a short form of its guidance around the obligations, and a revised s 11 reporting form.

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. "Custodial services" remained the most frequently reported sector in 2021–22 compared with the previous reporting period and the proportion of reports concerning this sector also increased (32% in

2021–22 compared with 26% in 2020–21). The Commission observed reduced proportions in s 11 reports concerning "Health" and "Local government" (from 24% and 19% in 2020–21 to 20% and 14% in 2021–22, respectively). "Local Government" was the next most common sector reported in s 11 reports during the reporting period (14%). Similar to the trend in PIDs, the Commission noted an increase in proportion of s 11 reports concerning "Emergency services" in the reporting period, such that it is now the fifth most frequently reported sector (from 2% in 2020–21 to 5% in 2021–22).

Table 14: Section 11 reports received in 2021–22, showing the five most frequently reported government sectors

Sector	Section 11 reports	% of s 11 reports
Custodial services	254	32%
Health	160	20%
Education (except universities)	129	16%
Local government	111	14%
Emergency services	41	5%

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

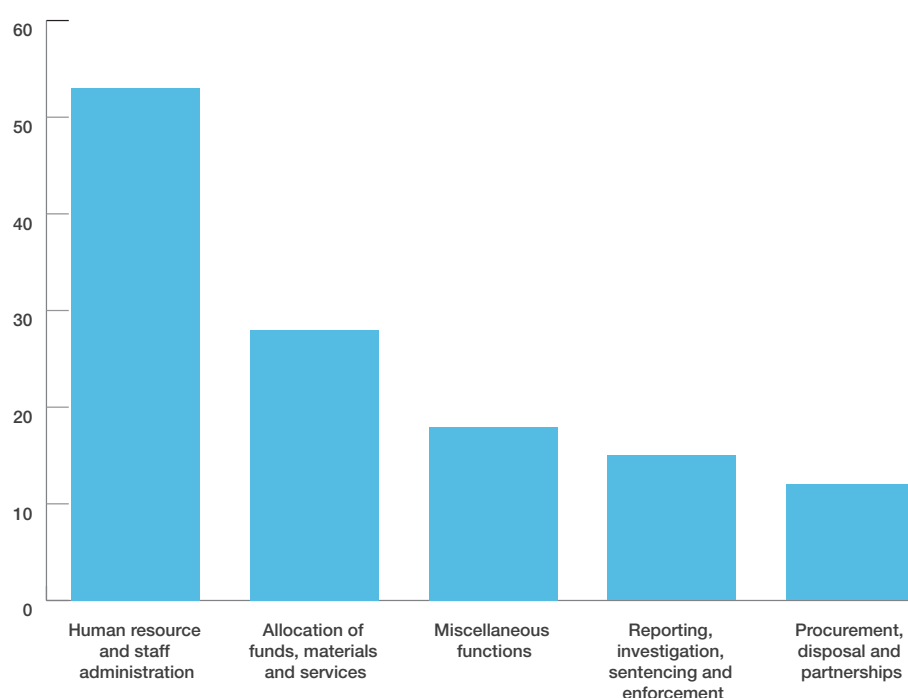


Figure 4 shows the most common workplace functions involved in the s 11 reports received by the Commission in 2021–22. The most common workplace function was “Human resource and staff administration”, comprising 50% of s 11 reports received (relatively consistent with previous years with 46% in 2020–21, 48% in 2019–20 and 45% in 2018–19). This was followed by “Allocation of funds, materials and services” (25%), “Miscellaneous functions” (22%), “Reporting, investigation, sentencing and enforcement” (15%), and “Procurement, disposal and partnerships” (10%).

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 45% of s 11 reports in 2021–22 (relatively consistent with 47% of s 11 reports in 2020–21, 47% in 2019–20 and 45% in 2018–19). It was followed by “Personal interests” at 38% (up from 36% in 2020–21), then “Improper use or acquisition of funds or resources” at 36% (37% in 2020–21). “Partiality” and “Intimidating or violent conduct” made up 17% and 12%, respectively, of s 11 reports received in 2021–22.

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

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

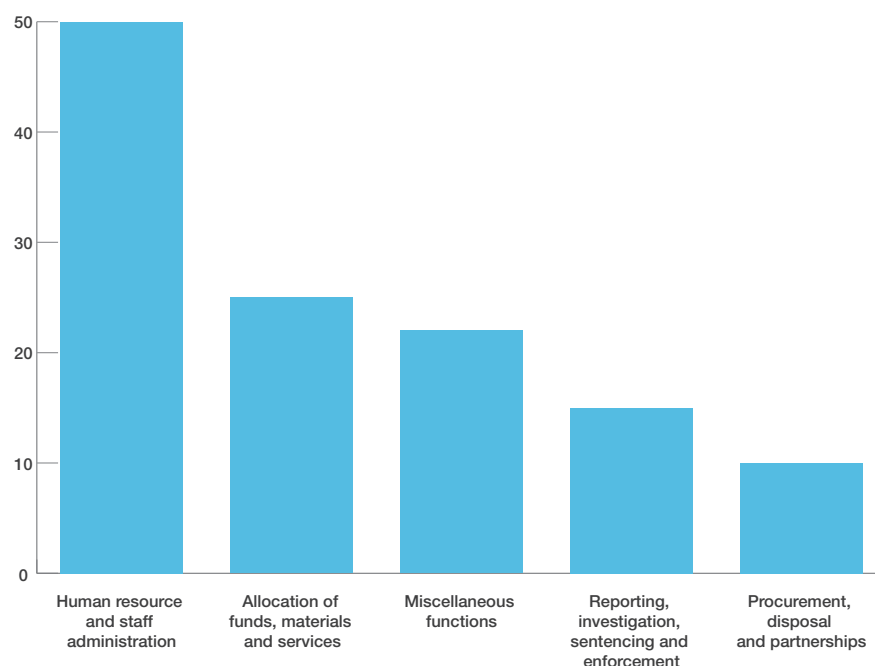
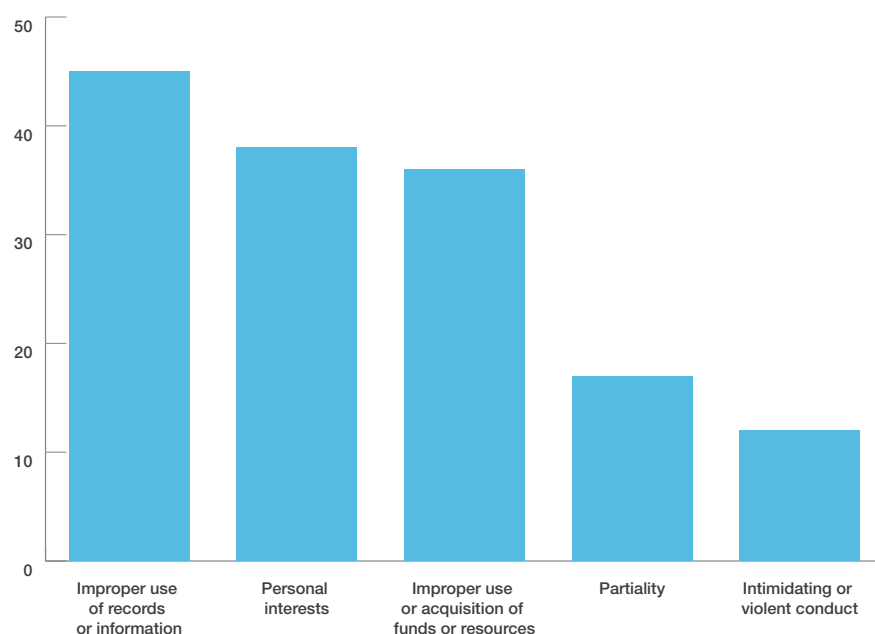


Figure 5: Top five most frequent types of corrupt conduct in s 11 reports (%)



Details matter

In 2021, the Commission received a report from a NSW public authority alleging that senior NSW public officials may have engaged in corrupt conduct involving Company A, a supplier providing maintenance services. It was alleged that the officials gave preferential treatment to Company A, including permitting Company A to inflate work hours and work materials in invoices to the NSW public authority to cover works on the personal residences of the officials.

The allegations were serious given the potential misuse of significant public monies over a number of years by senior officials. The Commission referred the allegations back to the public authority for investigation and asked it to report back to the Commission under s 53 and s 54 of the ICAC Act.

Given the corruption risks, the public authority engaged a third-party consultant to review 500 invoices associated with Company A. The consultant identified indicators of potentially excessive labour costs in 14% of the sampled invoices, but there was insufficient information available to undertake further analysis. The consultant also identified instances where the official requisitioning and approving the invoice was the same, and where the official, who was the site contact and responsible for approving the invoice, was the same. Given the limited information available in the procurement records, the public authority did not proceed with a disciplinary investigation against the officials.

As a result of its enquiries, the consultant recommended that the public authority enhance requirements for minimum information to be available in records before invoices can be approved for payment, review how it segregates duties in procurement processes, provide training to relevant individuals in the procurement process, and consider further analytics. The public authority agreed to conduct an internal review of these findings and recommendations.

Having regard to the limited information available to establish with reasonable certainty that corrupt conduct was involved, and the action being taken by the NSW public authority concerning the corruption risks, the Commission decided not to investigate this matter. However, it referred these issues to its Corruption Prevention Division to assist the public authority in addressing the corruption risks.

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.

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 2021–22, the Assessment Panel made 1,873 (85%) decisions to close matters and take no further action. This is slightly higher than in the previous year, where the Commission decided to close 83% of matters and take no further action (1,856 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 2021–22, 212 matters (10%) were closed and referred on this basis. This is similar to the Assessment Panel's decisions in 2020–21 (218 matters were closed and referred, representing 10%).

3. Refer the matter internally but not investigate

In 2021–22, the Assessment Panel made 112 (5%) 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 2021–22, there were 46 decisions by the Commission to conduct assessment enquiries, which is a decrease from the figure of 59 reported in 2020–21.

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 21 requests for investigation reports from agencies, which is a drop from the 33 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 2021–22, one matter was the subject of referral under s 53 and s 54 of the ICAC Act. This is a decrease on the number of referrals made in 2020–21 (four 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 considered enhancing its ability to detect and investigate similar conduct, as well as reduce the risk of such 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 2021–22, the Assessment Panel referred one matter to corruption prevention officers, which is consistent with the one matter referred in 2020–21.

4. Undertake an investigation

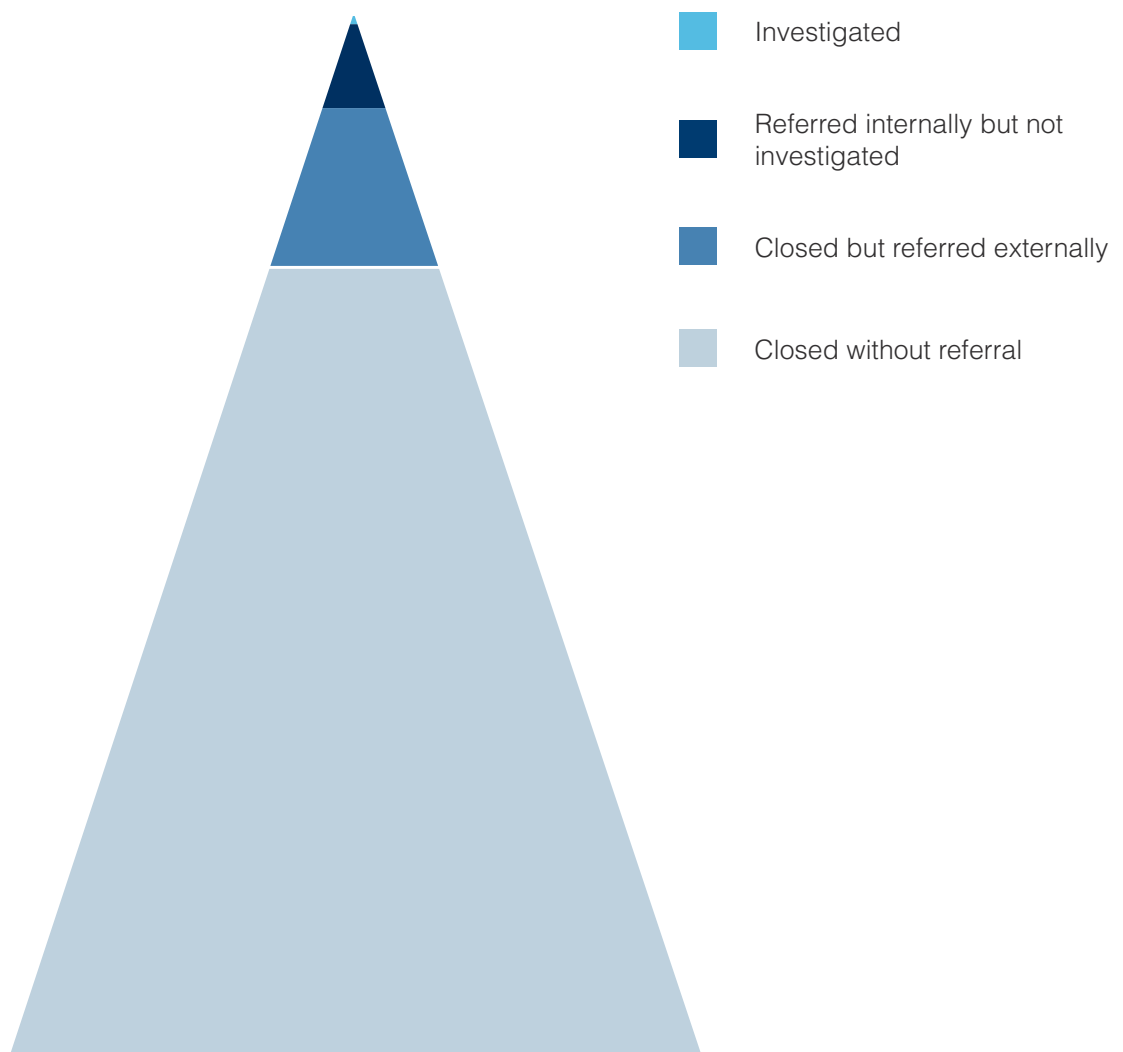
If a matter is serious and likely to need the Commission's special powers to investigate, such as requiring the production of documents or information, executing a search warrant or conducting covert operations, the Commission will usually investigate the matter itself (see Chapter 3). These matters 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 2021–22, 10 matters (less than 1%) were referred to the Investigation Division for preliminary investigation, which is fewer than the 18 matters (also less than 1%) referred in the previous year.

Decisions made by the Assessment Panel in 2021–22 are shown in Figure 6.

Figure 6: Decisions made by the Assessment Panel in 2021–22



Chapter 3: Investigating corruption

Significant issues impacting investigations in 2021–22	32
Strategic Intelligence and Research Unit.....	33
How we investigate	34
Our investigations.....	34
Use of statutory powers	36
Public inquiries and compulsory examinations.....	36
Investigation outcomes	37
Proceeds of crime	37
Referrals and other disseminations.....	37
Improving digital forensic capability	37
National Investigations Symposium	38
Learning and professional development	38
Strategic Capability Committee.....	38
Digital transformation strategy	38
National Anti-Corruption Investigation Network	38

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 2021–22

During 2021–22, the COVID-19 global pandemic continued to impact the operational environment of investigations. In June 2021, staffing numbers were affected by renewed public health orders that required staff living in “Stay at Home Areas” to work from home until 30 July 2021, this was later extended to the Greater Sydney area. Staff commenced returning to the office in a staged manner from 11 October 2021; however, this applied to staff

who were fully vaccinated and not living at stay-at-home areas.

During this time, investigation staff continued to work from home and the Commission continued to deliver on its commitment to serve NSW. As in the last reporting period, however, the operational work of the Commission was impacted and was specifically challenged by:

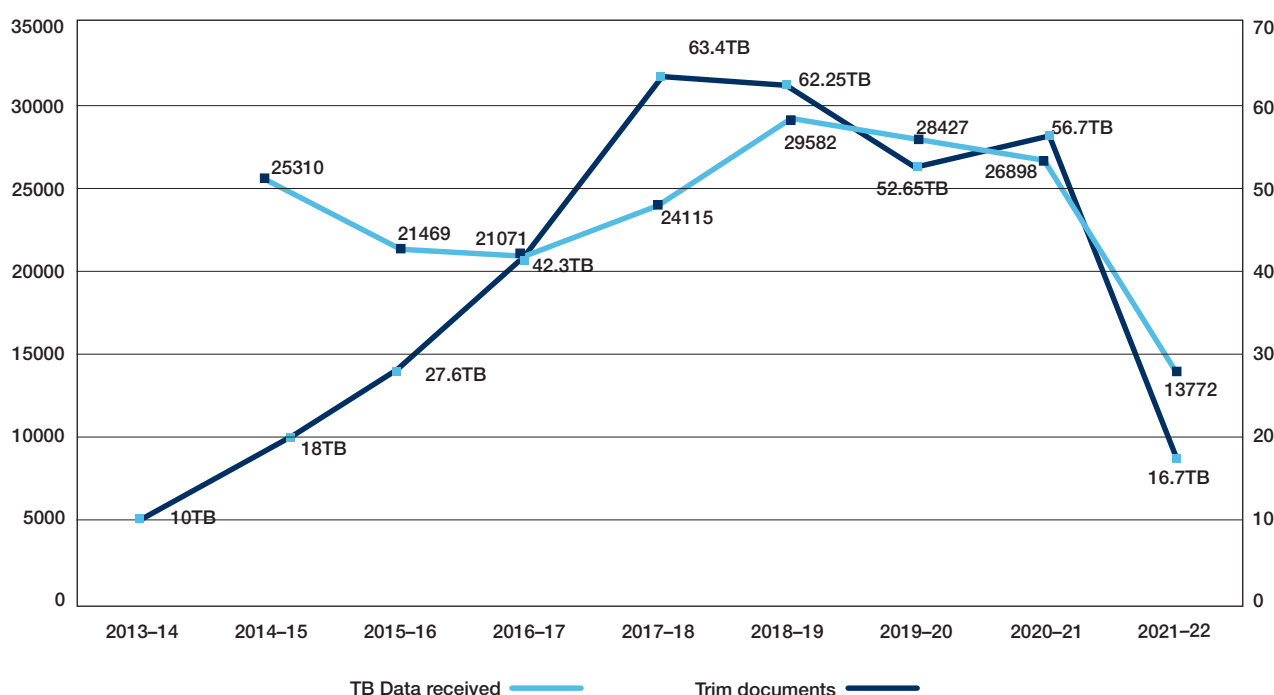
- reduced witness availability for investigation and hearing purposes
- delays in obtaining information from agencies to assist investigations due to office closures and staff working from home.

While operational field work recommenced in October 2021, the ability to conduct compulsory examinations and public inquiries was hampered, delaying the finalisation of some long-term investigations.

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

As of 30 June 2022, there were eight operations and five preliminary investigations (two of which were preliminary investigations of the Strategic Intelligence

Figure 7: Computer data received and analysed between 2013 and 2022



Research Unit (SIRU)). As with previous years, there were fewer investigations (operations) but a greater number of preliminary investigations. During the reporting period, 11 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 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 dropped significantly, with the receipt of 16.7 terabytes of data in the reporting year. The decrease in the amount of data received is directly related to the low number of search warrants executed during the reporting period. The low number of search warrants executed can be attributed to the operational life cycle of an investigation and/or insufficient evidence to apply for such warrants.

There were 13,772 documents saved into the Commission's TRIM record-keeping system, lower than last reporting period, but again consistent with the lower number of search warrants executed and the amount of computer data received.

Strategic Intelligence and Research Unit

SIRU provides the Commission with a proactive corruption prevention and strategic intelligence capability. In accordance with organisational objectives set out in the Commission's Strategic Plan 2020–21, the functions and purpose of SIRU are centred on the identification of emerging, or undetected, corruption risks and specific matters that are proactively treated through investigative or preventative mechanisms.

Results

In the reporting period, two SIRU preliminary investigations were escalated into full investigations. Both matters arose from SIRU's proactive strategic intelligence project that examined current and emerging corruption risks within a specific area of the NSW public sector.

The unit also pursued a further two "own initiative" SIRU preliminary investigations (s 20 of the ICAC Act) that directly followed on from the initial sector-based project.

At the completion of the strategic intelligence project, the Commission furnished an s 14 report for the relevant public authorities. The report was driven by rigorous analysis of internal holdings, widespread engagement with entities within the sector, and the conduct of preliminary and full investigations. The report offers the Commission's assessment of systemic areas of concern, complemented with considered advice on how entities within that sector can implement reforms to prevent corrupt conduct. The s 14 report is intended to serve as the platform for subsequent collaboration between the Commission and the affected agencies.

In the 2021–22 financial year, SIRU initiated another strategic intelligence project focusing on corruption risks in a different area of the NSW public sector. The project, which remains ongoing, has led to the unit's initiation of an "own initiative" preliminary investigation, combined with a strategic risk assessment, which was modelled on the success of the above-mentioned report.

SIRU's targeted engagement with the NSW public sector has led to an observable increase in the quality and frequency of the reporting of suspected corrupt conduct to the Commission. Equally, direct collaboration has heightened the awareness of their reporting obligations under the ICAC Act and the types of matters that should be referred.

Capability enhancement

SIRU remains committed to fostering relationships with partner anti-corruption and integrity agencies, highlighted by the inaugural National Anti-Corruption Investigation Network (NACIN) hosted by the Commission in April 2022. The National Intelligence Network (NIN), established by SIRU in 2019, facilitates the exchange of methodologies, tradecraft, and current and emerging trends witnessed across the Australian anti-corruption landscape. The 2nd NIN meeting was also held in April 2022. An overview of NACIN is provided later in this chapter.

The unit also engaged with federal law enforcement and intelligence agencies to identify proactive intelligence leads within the Commission's jurisdiction.

SIRU continues to develop the systems used in intelligence analysis and build organisational data

holdings. Notably, SIRU negotiated access to new external data sets that has significantly enhanced the Commission's ability to track and monitor state-wide planning and development applications.

Supporting the broader work of the Commission

Outside of its strategic intelligence projects and technical capability enhancement, the unit supports the work of the Investigation Division and the Corruption Prevention Division, as well as the Assessments Section. This takes the form of:

- producing specialist intelligence tradecraft contributions to the Commission's external publications
- sourcing data and providing written analyses to support formal advice issued to NSW public authorities
- integrating bulk data holdings into analytical platforms
- providing tailored intelligence products to support the range of cross-divisional priorities, including internal training sessions on how to apply intelligence analysis methodologies for Commission staff.

How we investigate

The Commission has key performance indicators (KPIs) for the timeliness of its investigations.

The Commission aims to complete 80% of its preliminary investigations within 120 days and SIRU preliminary investigations within 300 days of the Commission's decision to commence the investigation.¹

In relation to investigations, in 2020 the Commission implemented a two-tiered KPI system for full 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.² The Commission commenced internal reporting against this change in the 2020–21 reporting year.³

As there were outstanding investigations under the previous KPI system, both the old and new KPI systems will be reported in this reporting year. The previous KPI system required 80% of all investigations, no matter the complexity, to be completed in 16 months. At the end of this reporting period, three of the four remaining investigations under that system were finalised: two by way of public inquiry, a third was discontinued. One investigation remains open under the previous system.

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

Our investigations

At the commencement of the 2021–22 reporting period, a total of four SIRU preliminary investigations, two preliminary investigations and 10 operations were carried over from the previous period.⁴ A total of 14 preliminary investigations (three of which were undertaken by SIRU) and 11 operations were completed in 2021–22. At the end of the reporting period, there were five ongoing preliminary investigations (three of which were SIRU preliminary investigations) and eight operations.⁵

The percentage of preliminary investigations completed by the Commission within 120 days has increased from 62.25% in 2020–21 to 73% in 2021–22. The average time taken to complete preliminary investigations increased from 102 days in 2020–21 to 134 days in 2021–22.

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.⁶ In 2021–22, SIRU completed 33% of SIRU preliminary investigations and the average time taken to complete SIRU preliminary investigations was 271 days.

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

² "Standard" investigations have a KPI of 70% completion within 16 months from the date of the Assessment Panel decision. "Complex" investigations have a KPI of 70% completion within 24 months from the date of the Assessment Panel decision.

³ 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.

⁴ All SIRU preliminary investigations are reported under the previous KPI; that is prior to 1 July 2020.

⁵ Six of the operations are standard investigations and were escalated to investigations after 1 July 2020.

⁶ The original SIRU preliminary investigation 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.

In this reporting year, the Commission completed 11 investigations; three of those investigations were completed under the previous KPI system, the remaining eight under the new KPI system. Of those eight investigations, all were “standard”, and seven of those were completed within the KPI timeframe of 485 days.

The previous and current KPI outcomes are reported in this annual report.

Pre–July 2020 KPI – target 80% completion within 485 days

In 2019–20, the percentage of investigations completed within 485 days was 20%, with the average time taken to complete an investigation being 807 days. In this reporting period, only four matters remained under the previous KPI system. None of those were closed within 485 days, with the average time taken to complete the investigation being 1,309 days. These figures do not consider any matters under the new KPI system.

Post–July 2020 KPI – target 70% completion within 485 days (standard) and 70% close within 730 days (complex)

In this reporting period, with regard to the 11 investigations under the preceding and new KPI targets, 64% of all investigations were completed within 485 days. The average time taken to complete investigations was 554 days.

When considering only those investigations under the new KPI, 87.5% of investigations were completed within 485 days, with the average time taken to complete investigations being 363 days. The change to the KPI did not impact on these matters, as there were no complex matters.

The introduction of the two-tiered KPI system of standard and complex investigations, and close-tracking of KPI performance, shows a significant improvement in the completion of investigations; increasing from 20% to 64% in this reporting period.⁷

⁷ There is now only one longstanding matter under the 1 July 2020 KPI, which is expected to be finalised in the 2022–23 reporting period.

Table 15: Preliminary investigation statistics for 2021–22

Number current as at 1 July 2021	2
Number referred by Assessment Panel	11
Number current as at 30 June 2022	2
Days on average taken to complete	134
Number completed within 120 days	8
% completed within 120 days	73%

Table 16: SIRU preliminary investigation statistics for 2021–22

Number current as at 1 July 2021	4
Number referred by Assessment Panel	2
Number current as at 30 June 2022	3
Days on average taken to complete	271
Number completed within 300 days	33%

Table 17: Full investigation (operation) statistics for 2021–22

Number current as at 1 July 2021	10
Number escalated from preliminary investigation	9
Number discontinued/concluded	11
Number current as at 30 June 2022	8
Days on average taken to complete	554
Number completed within 16 months	7
% completed within 16 months	64%

Table 18: Source of preliminary investigations by sector in 2021–22

Sector	Number of preliminary investigations	% of preliminary investigations
Local government	4	40%
Land, property and planning	3	30%
Education (except universities)	1	10%
Other – unspecified	1	10%
Transport, ports and waterways	1	10%

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 or 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 based on 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.

Table 19: Statutory powers used by the Commission in 2021–22, compared to the three previous years

Power	2021–22	2020–21	2019–20	2018–19
Notice to produce a statement (s 21)	1	3	34	18
Notice to produce a document (s 22)	296	438	470	538
Notice authorising entry to a public premise (s 23)	0	0	0	1
Summons (s 35 notices)	150	148	89	158
Arrest warrant (s 36)	0	0	0	1
Order for prisoner (s 39)	0	2	0	4
Search warrant (s 40) *	1	24	2	32
Controlled operations	0	0	0	0
Surveillance device warrants	0	5	3	2
TIA Act** – telephone interception warrants	0	11	7	18
TIA Act – stored communications warrants	0	0	2	7
TIA Act – telecommunications data authorities (s 178 and s 180)	201	168	204	295
Controlled operations undertaken	0	0	0	0
Statements taken	135	131	0	0
Interviews conducted	88	67	226	181

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

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

In 2021–22, the Commission conducted 77 compulsory examinations over 65 days and five public inquiries (operations Witney, Keppel, Paragon, Tolosa and Galley) over 59 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.

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* (NSW).

The Commission did not refer evidence to the NSW Crime Commission.

Referrals and other disseminations

During the reporting period, the Commission disseminated intelligence gathered during investigations to the:

- Audit Office of NSW
- Australian Border Force
- Australian Competition and Consumer Commission
- Australian Federal Police
- Australian Securities and Investments Commission
- Australian Taxation Office
- Independent Broad-based Anti-Corruption Commission
- NSW Crime Commission
- NSW Police Force
- Queensland Police Service
- Transport for NSW
- WA Corruption and Crime Commission.

Improving digital forensic capability

The Investigation Division's maturing digital capabilities delivered under its ongoing Digital Business Improvement (DBI) project continues to build its investigative function within the digital landscape to maintain pace with current technology and maximise the Commission's digital capabilities.

Approximately 90% of the information and evidence received or seized by the Commission is in a digital format. The Commission's electronic evidence capacity has been expanded to include a further electronic evidence analyst to assist with the increasing digital evidence workload and to allow for research and development in this critical area of investigation.

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.

Due to the risks posed by the COVID-19 pandemic, the symposium that was originally scheduled for November 2020 has had to be postponed several times. The NIS is now scheduled to be held in Sydney in May 2023.

Learning and professional development

The Commission remains focused on developing its leaders to drive change at all levels. During the reporting period, two investigation staff completed the NSW Department of Premier and Cabinet's Leadership Development Program. In 2021–22, three investigation leaders completed a seven-month program offered by Women and Leadership Australia, with a further three investigation leaders commencing the same program during the reporting period.

Strategic Capability Committee

In March 2022, the Investigation Division established the Strategic Capability Committee (SCC) in line with the key result areas and objectives under the Commission's Corporate Business Plan 2021–22. The committee's purpose is to ensure a good practice approach for all investigations and to continue to develop as a learning organisation that embraces a culture of continuous improvement, excellence and sharing of knowledge. It was established to further the division's ability to plan strategically and:

- identify any gaps in investigation policy and procedures, and ensure standardisation of investigation practices

- use a risk-based approach to build and address the technical, data and investigative capabilities required by the division
- research innovation and trends in investigations and technology with other integrity and law enforcement agencies
- assist in developing a Strategic Workforce Framework, which details the key skills and knowledge required of divisional staff, including tools and processes
- assist in developing a divisional planning tool that identifies learning and development needs to meet the needs of investigations now and in the future.

In support of this commitment, the Commission has recently established the position of Investigation Division, Director, Strategic Intelligence and Capability to assist in planning, managing and critically driving divisional strategic projects and investigation capability consistent with its organisational objectives.

Digital transformation strategy

Several strategic projects have resulted from the SCC, including the instigation of a digital transformation strategy Business Process Management (BPM) project to plan for a modern integrated system platform. The BPM involves a Commission-wide information architecture review of the Commission's computer and software systems in view of recent and rapid technological change. The BPM project will examine the effectiveness of the Commission's case management system, avenues to increase integration of Commission systems and the automation of several processes critical to investigations.

National Anti-Corruption Investigation Network

Between 5 and 7 April 2022, the Commission hosted the inaugural NACIN conference in Sydney, in conjunction with NIN.

The conference was attended by over 70 delegates and guests from all 10 Commonwealth, state and territory anti-corruption and integrity agencies. Three streams were held: investigation, strategic intelligence and electronic evidence.

NACIN was established to create a forum for anti-corruption investigation agency managers in Australia to:

- meet and discuss new and changing threats or opportunities in anti-corruption investigations including emerging technologies
- provide a mechanism for engagement between anti-corruption agencies within Australia to discuss issues and trends in corruption investigations
- discuss advances in the use of technology in detecting corruption
- share knowledge on the use of advanced technology by those engaging in corrupt conduct
- share information on best practice in investigations
- establish an ongoing network to allow anti-corruption agencies to connect more readily and regularly on investigations.

Several outcomes have since arisen as a result of the conference, including an agreement to hold the NACIN conference annually and a NACIN virtual meeting every six months to discuss new and changing threats or opportunities in anti-corruption investigations.

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:

- undertaking corruption prevention projects
- providing written and face-to-face advice
- designing and delivering training, speaking engagements, educational materials and conferences
- 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.

Corruption prevention projects

In 2021–22, the Commission released or contributed to a number of new publications examining corruption risks within the public sector.

Factfinder – guidance for conducting internal investigations

In April 2022, the Commission reissued *Factfinder*, its guidance on how to conduct internal investigations into alleged misconduct. Since the Commission focuses its attention on serious and systemic corrupt conduct, the majority of investigations into alleged corrupt conduct and other forms of misconduct are undertaken by individual agencies.

Some agencies employ specialist investigators but many rely on staff in audit, human resources, legal or governance roles to conduct and manage investigations. *Factfinder* is aimed at assisting agencies to carry out investigations that are fair and factually accurate. It addresses topics including:

- providing procedural fairness
- assessment of complaints and red flags that might trigger an investigation
- investigation planning
- gathering and analysing evidence

- making findings and report writing
- post-investigative action.

Updated procurement guidance

During the reporting period, two concise procurement-related publications were issued by the Commission.

The first, *Probity in procurement: tips from a professional* (September 2021) summarised the practical advice of Scott Alden, a well-respected probity adviser.

The second, *Dealing with incumbent providers in procurement* (November 2021) addressed some of the advantages and disadvantages that accrue in relation to incumbents when an agency goes to market. The publication sets out some guidance for correcting the possibility of an “uneven playing field”.

Obtaining independent advice

In public service, many key decisions are based on, or supported by, “independent” advice, typically provided by an external, subject-matter expert. Agencies often turn to independent auditors, lawyers, economists, town planners, quantity surveyors and experts in information technology, human resources, strategy, change management, and so on. It is also common for agencies to appoint independent members to recruitment and tendering panels.

In December 2021, the Commission issued a publication concerning the use of independent experts. The guidance explains how to engage an independent expert to ensure that their advice is objective and unbiased. It also explains how to manage situations where the agency disagrees with the independent advice for which it is paying.

Forum on pork barrelling

Over the last two years, a number of reports issued by Commonwealth and state auditors-general and associated media coverage have dealt with integrity issues associated with pork barrelling.

On 3 June 2022, Chief Commissioner the Hon Peter Hall QC hosted a forum on a range of related issues, including the harm that arises from pork barrelling, circumstances where it might constitute corrupt conduct, and potential areas for reform.

The forum was moderated by prominent journalist and author, Kerry O'Brien and included the following

Toying with heavy vehicles

When constituted appropriately, panels of suppliers can be powerful tools to make procurement effective and efficient. When established by poor processes, however, supplier panels can institutionalise corrupt arrangements at great cost to public authorities. Because of this, it is important the processes surrounding the creation of panels be robust.

On 20 May 2022, the Commission released *Investigation into the awarding of contracts by employees of the former NSW Roads and Maritime Services (RMS)*. The report made findings of serious corrupt conduct against two public officials and the directors of two companies with whom these officials were associated. In total, over \$12.2 million of work was corruptly awarded.

This public official managed an RMS unit that provided systems and technology support for heavy vehicle compliance activities, including conducting studies and trials of new technology. His corrupt conduct initially consisted of awarding study and trial work to a company with whom he was associated. Suppliers on relevant panels were not considered for this work, and much of the work was done poorly or not at all.

He then corruptly arranged for this company to become a sole distributor of heavy vehicle scale parts for NSW. This was despite the fact it lacked the technical capacity to maintain these scales.

With this company now providing scale parts, the public official corruptly engaged a second company with whom he was associated to conduct the studies and trials that had previously been “performed” by the first company.

He then corruptly set up two agency supplier panels to facilitate the awarding of work to these two companies. The public official argued that the new panels would result in key efficiencies and cost savings but there was no:

- endorsed procurement strategy
- performance measures
- benefits realisation review
- accountability placed upon the public official.

One of these panels was used to purchase millions of dollars of heavy vehicle scales without any meaningful analysis of relevant need. Additionally, there was no procurement strategy for these purchases despite it being mandatory for purchases over \$250,000.

The report made seven recommendations to Transport for NSW (the successor agency to RMS) to prevent future corrupt conduct. It is due to provide its response in early 2022–23.

subject matter experts: Professor Anne Twomey of the University of Sydney; the Hon Joseph Campbell QC of the University of Sydney and former judge of the NSW Court of Appeal; Dr Simon Longstaff AO of the Ethics Centre and Australian Graduate School of Management at the University of NSW; Ian Goodwin, NSW Deputy Auditor General; and Professor AJ Brown of Griffith University.

The forum was live streamed to the public via the Commission’s website. In addition, the transcript and a video recording of the forum were published on the Commission’s website and YouTube channel respectively. A report will be delivered in 2022–23.

Advice

The Commission provides advice on ways to prevent or combat corrupt conduct and enhance integrity. 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 2021–22, the Commission provided advice on 160 occasions (compared with 150 in 2020–2021 and 142 in 2019–20). This included making submissions to relevant government enquiries 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 and the Omicron variant, during the reporting period the Commission delivered 106 workshops across NSW to 1,810 attendees. Of these, 83 or 78% of these were delivered online. By comparison, 101 workshops were delivered in 2020–21 and 116 in 2019–20.

Corruption prevention and procurement-related workshops were the most requested.

During the reporting period, the Commission reviewed all its workshops and how they are delivered. It was decided that online workshop delivery should become a regular feature of its training program into the future and that this should be reflected in the workshop promotional information. The “free workshops” section of the Commission’s website was therefore redesigned to provide clearer information about all the workshops on offer, including “Corruption prevention in a regulatory role”, which the Commission has not formally promoted in the past. The workshop pages now include more information about what each version of each workshop includes as well as what delivery modalities are available.

Of the workshops delivered in the reporting period, 93 were evaluated to ensure quality. All evaluations were conducted online. For the year, 38% of attendees completed the evaluation survey and 689 responses were received; approximately 7.4 responses per workshop.

A total of 98% of participants rated these workshops as “useful” or “very useful”, and 98% of participants “agreed” or “strongly agreed” that these workshops met their learning needs. This compares with last year’s figures of 98% and 97% respectively and are an indication of the ongoing 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, where COVID-19 restrictions had been lifted. While online delivery has its own challenges, the workshops afforded greater access, were well received and remain useful.

A total of 25 workshops were delivered specifically for public officials in regional NSW. This is more than the 15 delivered in 2020–21 but considerably fewer than the 52 delivered in 2019–20 (the year in which COVID-19 restrictions first emerged).

As was the case the previous year, the Commission hosted its “open” workshop program online. A total of 24 open workshops were delivered, compared with 30 in 2020–21 and 15 in 2019–20. As these workshops are delivered online, any public official in NSW has access and can participate.

A six-figure bag of cash

On 28 February 2022, the Commission released *Investigation into political donations facilitated by Chinese Friends of Labor in 2015*. In this report, the Commission made findings of serious corrupt conduct against a former member of the NSW Legislative Council in relation to a scheme to hide the true source of a reportable political donation.

The Commission found that an individual had donated \$100,000 in cash to the NSW branch of the Labor and Country Labor parties. This was an unlawful donation because it exceeded the applicable \$5,000 cap on political donations and the donor was not on the NSW Electoral Roll at the relevant time. This donation was disguised by multiple other people each claiming they had donated \$5,000.

The Commission also found that this individual engaged in serious corrupt conduct by attempting to procure false testimony regarding this donation. More broadly, he and another individual each took numerous steps over a four-year period to monitor and influence investigations into this matter by the NSW Electoral Commission (NSWEC) and the Commission, with a view to concealing the falsity of the donor declarations. This included the second individual telling false donors to lie to the Commission’s public inquiry.

This investigation exposed a number of governance failures within the NSW Labor and Country Labor parties, and identified associated weaknesses regarding the regulation of political donations. The Commission made seven recommendations to enhance the regulatory environment regarding political donations.

One set of recommendations aimed to improve the governance and internal controls of political parties by:

- making public electoral funding contingent on political parties having adequate internal controls and governance
- providing the NSWEC with greater capacity to assess the adequacy of a political party’s internal controls and governance, and respond to any identified inadequacies
- making information about the adequacy of the internal controls and governance of political parties publicly available.

Another set of recommendations aimed to ensure that non-compliance with legislative requirements regarding political donations was identified and rectified by:

- enabling the NSWEC to more effectively respond to less severe breaches of cash donation requirements
- requiring senior officers of political parties to report reasonably suspected breaches of legislative requirements, and increasing penalties associated with failing to report such breaches
- allowing the NSWEC to publish information about relevant regulatory activities it has undertaken.

Speaking engagements

Audiences for the Commission's speaking engagements include government departments and local councils, peak bodies 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 Commission assists the CPN to plan and deliver

monthly seminars. During 2021–22, these seminars were held online or in a hybrid online/in-person format and attracted approximately 400 attendees on average per seminar.

In 2021–22, Commission officers delivered 60 speaking engagements. This represents a significant decrease on the 100 delivered in 2020–21 but is on par with 62 delivered in 2019–20. The change can be attributed in part to a significant number of short presentations provided to a particular agency in 2020–21.

Table 20: Workshops delivered in 2021–22

Workshop/session 2021–22	Workshops	Hours	Participants	Regional	Open	Online
Corruption prevention in procurement	42	168	729	11	9	34
Corruption prevention for managers	21	79	349	4	7	19
Corruption prevention for planning professionals	11	38	183	2	3	7
Custom workshops	10	24	180	3	0	10
Strategic approaches to corruption prevention senior executive workshop	9	24:30	149	1	2	6
Corruption prevention in grant making	5	15	91	1	0	3
Corruption prevention in a regulatory role	4	12:30	88	2	0	1
Getting the most out of your corruption prevention training program	3	12	32	0	3	3
Good governance in small boards	1	3:30	9	1	0	0
TOTAL	106	376:30	1,810	25	24	83

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

	2021–22		2020–21		2019–20	
Quarter	Number of engagements	Number addressed*	Number of engagements	Number addressed*	Number of engagements	Number addressed*
Jul–Sept	12	1,433	14	707	18	1,006
Oct–Dec	20	3,878	45	3,626	21	930
Jan–Mar	11	1,203	20	703	11	408
Apr–Jun	17	2,697	21	904	12	929
Total	60	9,211	100	5,940	62	3,273

* These figures are based on estimates of attendance.

The widespread take-up of videoconferencing technology has facilitated delivery to larger audiences. As shown in Table 21, the number of people that have attended a Commission speaking engagement has grown considerably over the last two years. Videoconferencing technology also allows presentations to be recorded and shared with staff.

In November 2021, the Commission hosted a two-and-a-half-hour online corruption prevention forum that attracted over 500 attendees. The forum highlighted the key lessons learnt from Commission investigations including operations Dasha, Avon, Lancer, Mistral and Eclipse, as well as material from the Commission's corruption prevention publications mentioned elsewhere in this chapter.

Australian Public Sector Anti-Corruption Conference

In 2021–22, significant resources were devoted to planning the 8th Australian Public Sector Anti-Corruption Conference. The conference, which will be held in Sydney in November 2022, is co-hosted by the Commission, the Australian Commission for Law Enforcement Integrity and the NSW Law Enforcement Conduct Commission.

Other impacts of COVID-19

The Commission normally runs biannual rural and regional outreach visits, in which Commission staff meet face-to-face with local public officials and community leaders in a series of scheduled events and meetings. Due to COVID-19 restrictions, these visits have not been held since 2020. However, this was partially offset by the ability of rural and regional public officials to access and engage in online workshops delivered by the Commission.

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 has not been held since the onset of the pandemic. However, planning is underway to deliver the course in early 2022–23.

Choosing suppliers to line your own pocket

On 19 October 2021, the Commission released *Investigation into the sourcing of software systems for the Western Sydney Institute of TAFE*. In the report, the Commission set out its findings that a TAFE NSW official engaged in serious corrupt conduct by awarding information and communication technology (ICT) services work to a supplier in return for a financial benefit.

The Commission found that the public official deliberately ignored and circumvented proper procurement processes when sourcing the ICT services, including intentionally failing to:

- use an accredited ICT supplier
- obtain approval to directly negotiate with a supplier.

The Commission also found that the public official took steps to conceal the fact that he had knowingly failed to comply with proper procurement processes, and made serious corrupt conduct findings against a subordinate of the public official and the supplier's three directors.

The Commission identified several weaknesses in TAFE NSW's systems and processes. It made 14 recommendations designed to remedy these deficiencies by:

- strengthening ICT governance
- uplifting capability and knowledge
- improving complaints management
- increasing allocation of resources to governance and assurance functions
- strengthening information management and executive oversight
- enhancing risk management and planning

TAFE NSW accepted all of the Commission's recommendations and its plan to implement them can be found on the Commission's website.

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	54
Privacy and personal information.....	54
Access to information.....	55
Report publicly about the work of the Commission.....	55
Corrupt conduct findings and recommendations for prosecution/disciplinary action	59

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 all Commission 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 Senior Leadership Forum (SLF) to assist the Chief Executive Officer to manage the day-to-day affairs of the Commission and the implementation of the decisions of the Chief Commissioner and Commissioners

- the Commission Consultative Group (CCG) is the formal mechanism for consultation and communication between staff and management on matters of policy and procedure (see Chapter 6)
- 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 of public inquiries from the Commission website where appropriate, and publishing investigation reports and other material prepared by the Commission. The Commission also runs accounts on two social media platforms (Twitter and YouTube) to disseminate information.

Internal governance

Legal review

All applications for the exercise of statutory powers for investigation purposes are reviewed by the Commission lawyer assigned to the investigation 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 the Chief Commissioner or 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 the Chief Commissioner or 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 NSW 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 2021–22, no new assumed identities were authorised and one assumed identity authority was revoked (due to the holder leaving the Commission). Assumed identities were granted and used by Commission officers in surveillance operations on people of interest in Commission investigations and to maintain covert arrangements. Audits were conducted in July 2021 and July 2022. Records of the 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, and all four executive directors. It oversees all 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.

Senior Leadership Forum

Members of the SLF are the Chief Executive Officer and all four executive directors.

The SLF sets the annual budget of the Commission, consistent with the strategic direction and priorities of the Commission, ensures alignment of the workforce to these priorities, and provides strategic financial management and governance to support the achievement of strategic and operational objectives. The SLF manages the organisation by developing corporate strategies, and selecting and overseeing major corporate projects undertaken in line with priorities, objectives and statutory responsibilities.

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 of substance to the Operations Manual must be approved by the EMG.

The Commission has an Investigation Policy Framework that establishes the standards for how the Commission performs its investigation function. The Commission also has a Corruption Prevention Policy Framework 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. There were changes to the committee membership in 2021–22. As at 30 June 2022, the members of the committee were:

- Leslie Williams MLA (chair)
- Ron Hoenig MLA (deputy chair)
- Lee Evans MLA
- Wendy Lindsay MLA
- Tania Mihailuk MLA
- Nichole Overall MLA
- Jamie Parker MLA
- Chris Rath MLC
- Rod Roberts MLC
- Adam Searle MLC
- Ray Williams MLA.

On 11 August 2021, the Parliamentary Committee’s report on its review of the 2019–20 annual reports of both the Commission and the Inspector was tabled. The committee found that the Commission’s funding and resourcing is an ongoing concern for the Commission and that the committee continues to support an independent funding model.

The Parliamentary Committee was critical that, during Operation Keppel, confidential information was published on the Commission’s website and that the Commission did not have rigorous monitoring procedures that could have prevented that incident.

In June 2021, the Commission approved changes to relevant parts of its Operations Manual procedures to strengthen security measures around the uploading to the public website of private transcripts. The principal change was to introduce a new Work Instruction. A copy of this Work Instruction was provided to the committee in response to the committee’s recommendation that it be provided with updates to the Operations Manual addressing this issue.

The Parliamentary Committee also recommended that the Commission provide an update in its next annual report as to the uptake and effectiveness of its newly launched Witness Cooperation Policy. That information is set out later in this chapter.

On 25 November 2021, the committee’s report on reputational impact on an individual being adversely named in the Commission’s investigations was tabled. The report contained 11 findings and nine recommendations. The following recommendations were directed to the Commission:

- Recommendation 1
The ICAC should consider implementing mental health protocols for individuals as part of ICAC’s investigations.
- Recommendation 2
The ICAC prepare and publish with each report a table of persons involved in that inquiry, with the indication that the person was the subject of an adverse finding, a corruption finding or was a witness only.
- Recommendation 5
That the ICAC updates the relevant investigation page on its website following a judicial proceeding.

With respect to recommendation 1, in September 2020, the Commission adopted a new Operations Manual Work Instruction on witness welfare. It provides for the identification and management of

risks to the health and safety of persons impacted by a Commission investigation. This includes mental health risks. Relevant information from the Work Instruction is also included in the *Information for Witnesses* brochure provided to those who are served with a summons.

The Commission has not adopted recommendation 2. In making this recommendation, the committee expressed concern for unwarranted reputational damage to individuals named in investigations where adverse findings are not made. The committee considered that, to mitigate such harm, each report should contain a table of persons involved in the inquiry, with an indication whether the person was the subject of a corruption finding, an adverse finding or only a witness.

Currently, each s 74 report contains a “Summary of investigation and outcomes”. This sets out the details of corrupt conduct findings made against individuals and the s 74A(2) statements made in the report. This clearly indicates who has been found to be corrupt (and, by implication, who has not been found to be corrupt). There may be other persons named in the body of a report who are subject to adverse factual findings falling short of corrupt conduct.

The Commission is concerned that presenting a list of names in a table may possibly increase the likelihood of reputational damage to them by providing a central reference point where such persons are identified. The Commission considers that the fact a witness who is not subject to any corrupt conduct or other adverse finding is otherwise named in a report does not involve any reputational damage to that person. It will be clear from the context in which they are named that there is no adverse finding.

With respect to recommendation 5, the Commission accepts that, where any finding of corrupt conduct is overturned by a court, it is appropriate for the Commission to publish that fact on the relevant investigation website page (in addition to publishing such information in its annual report). This accords with the Commission’s established practice.

On 2 May 2022, the Chief Commissioner, Commissioners and Commission officers appeared before the Parliamentary Committee to give evidence for the purposes of the committee’s review of the 2020–21 annual reports of both the Commission and the Inspector.

On 9 June 2022, the Parliamentary Committee announced an inquiry into aspects of the ICAC Act to determine whether the Act continues to be effective

and appropriate. The Commission intends to make a submission in July 2022.

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 NSW Parliament’s 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 and was the Inspector throughout this reporting period. On 20 June 2022, the NSW Attorney General announced that Gail Furness SC will take up the role of Inspector of the ICAC from 1 July 2022.

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 reports:

1. *Report concerning circumstances surrounding the Independent Commission Against Corruption's use of certain telephone intercept material during Operation Keppel* (August 2021)
2. *Special report by the Inspector of the Independent Commission Against Corruption pursuant to section 77A of the Independent Commission Against Corruption Act 1988 regarding the Decision to Hold a Further Public Inquiry in Operation Keppel* (October 2021).

First report

This report concerned the decision, during the course of the Operation Keppel public inquiry, by the Commission to play and publish a telephone call between Daryl Maguire and the then Japanese Consul-General in Sydney. The Inspector considered:

1. whether the Commission's interception of the call and use of the intercepted material was lawful, and
2. even if lawful, whether it was appropriate to play the intercepted call during a public inquiry and tender a transcript of it as a public exhibit.

With respect to the first issue, the Inspector did not make any finding that the Commission had engaged in maladministration, as, in order to do so, the Inspector would need to be satisfied that the Commission had acted "contrary to law" (per the terms of s 57B(4) of the ICAC Act) and the position of the lawfulness of the Commission's conduct was not clear or settled and the conduct did not meet any of the other criteria that constitute maladministration as defined by s 57B of the ICAC Act.

With respect to the second issue, the Inspector considered that the Commission should have used more discretion when handling the intercepted call, including consulting with the Department of Foreign Affairs and Trade (DFAT) to seek its advice and to explore alternative options to the playing of the telephone call in the public inquiry.

The Inspector made the following four recommendations, each of which has been accepted by the Commission:

1. Establish a clear process for identifying especially sensitive material intercepted under the *Telecommunications (Interception and Access) Act 1979* (Commonwealth) (or obtained through the use of any other methodology or power identified as available to the Commission) and assessing whether that material should be disclosed during a public inquiry. That process should include a requirement for any such assessment to be documented.
2. To the extent that the exercise outlined in recommendation 1 requires the Commission to establish a process concerning how it deals with material that involves matters of public international law, it should consult with DFAT. The Commission should also consult with any other agency it identifies as having expertise that it may draw on for any other aspect of the exercise.
3. Take steps to ensure that any process established in response to recommendation 1 is appropriately incorporated into the Commission's relevant policies and procedures.
4. Report to the Inspector about the Commission's progress in implementing the above recommendations within six months from the date on which the Inspector's report is tabled in Parliament.

Second report

This report concerned the announcement by the Commission, on 1 October 2021, that a further public inquiry would be held as part of the Operation Keppel investigation, which would examine certain conduct of the then premier, the Hon Gladys Berejiklian MP.

The Inspector received several complaints from

members of the public (as did the Commission, which advised the Inspector of those complaints) about the conduct of the Commission in deciding to investigate her conduct and in making the public announcement to that effect.

The Inspector found that, on the material in its possession, the Commission had a proper basis for determining to conduct the public inquiry regarding the conduct of Ms Berejikian.

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

The Auditor-General

Under the *Government Sector Audit Act 1983*, the Auditor-General has power to inspect, examine and audit the Commission's accounts and records.

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.

Under the *Government Sector Finance Act 2018*, the Commission's Chief Executive Officer (as the Commission's "accountable authority" under that Act) must cause annual financial statements to be prepared for the annual reporting period for the Commission and give those statements after they are prepared to the Auditor-General for auditing.

The annual financial statements must be:

- prepared in accordance with the Australian Accounting Standards and any other requirements specified by the *Government Sector Finance Act 2018*, the regulations or the Treasurer's directions, and
- present fairly the Commission's financial position, financial performance and cash flows.

A copy of both the annual financial statements and the audit report for them must be included in the Commission's annual reporting information tabled in Parliament.

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 November 2021, officers from the Office of the LECC Inspector inspected the Commission's telecommunications interception records and surveillance device records. No issues requiring attention were identified during the inspection process.

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 16 and 18 November 2021, the Commonwealth Ombudsman inspected the Commission's stored communications records and telecommunications data records for the period from 1 July 2020 to 30 June 2021. No issues of non-compliance with relevant legislative requirements on the part of the Commission were identified.

Principal legal changes

On 27 June 2022, the provisions of the *ICAC and LECC Legislation and Amendment Act 2022* commenced. That Act amended the ICAC Act to permit the commission of a person, who was a judge of the District Court before being appointed as a Commissioner or Inspector, to be revived when the person ceases to hold the office of Commissioner or Inspector.

The *Public Interest Disclosures Act 2022* received assent on 13 April 2022, but its commencement date is up to 18 months after assent (the aim is for 1 July 2023). While the *Public Interest Disclosures Act 1994* continues in force, work has commenced to review and revise relevant Commission policies and procedures so that new ones are in place once the new Act commences. The new Act also amends the ICAC Act, including by omitting s 50 (protection of witnesses and persons assisting the Commission) and inserting a new Part 8A dealing with these issues. This will require consequential revisions to the Commission's witness welfare and witness cooperation policies.

Litigation

The Commission was involved in one active litigation matter during the reporting period.

In October 2020, Andrew Christopher made an application under the *Government Information (Public Access) Act 2009* (“the GIPA Act”) for access to 15 categories of documents evidencing communications between Commission officers and various others (including members of Parliament (MPs), staff or employees of MPs, the Inspector of the ICAC, 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 was delivered on 2 September 2021 (see *Christopher v ICAC* [2021] NSWCATAD 256). The NCAT accepted that four of the 15 categories of documents sought were applications for excluded information and were therefore invalid on their face. Of the other 11 categories of documents:

- there were no documents in one category
- the NCAT found that nine categories contained information such that there was a conclusively presumed public interest against disclosure and that the Commission should be given an opportunity to reconsider the documents falling within the remaining category (communications with journalists and media).

The access application with respect to communications with journalists and media was reconsidered in line with the NCAT decision. It was decided to grant access to two documents, being public media releases, but access to the other documents was refused on the basis that there was an overriding public interest against disclosure.

On 28 September 2021, Mr Christopher filed a Notice of Appeal against the NCAT decision.

On 17 December 2021, the appeal was heard by the NCAT Appeal Panel. The appeal was dismissed on 20 April 2022 (see *Christopher v ICAC* [2022] NSWCATAP 118).

On 18 May 2022, Mr Christopher commenced further proceedings in NCAT in relation to the decision not to grant him access to the balance of the documents evidencing communications with journalists and media. On 3 June 2022, the Chief Commissioner made a direction under s111(4) of the ICAC Act permitting those documents to be provided to Mr Christopher. On 20 June 2022, the proceedings were withdrawn by Mr Christopher, and they were dismissed.

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 2021–22, the Commission received four complaints concerning the conduct of a Commission officer.

Each of the matters involved a complaint by a person who had made a complaint to the Commission about possible corrupt conduct that a Commission officer, who had prepared a report on the allegation for the Commission’s Assessment Panel, had failed to investigate their allegation and did not give it proper consideration. In each case, the Commission found no substance to the complaint against the Commission officer.

The Inspector of the ICAC was informed about each matter, 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 annual report.

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 Witney, Keppel, Paragon, Tolosa and Galley were either concluded or commenced.

The Commission developed a protocol for public inquiries outlining mitigation strategies for 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 inquiries through live streaming and were able to access transcripts and exhibits through the Commission's website.

In Operation Witney, the Commission investigated 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:

- advancing amendments to development controls affecting land between Second Avenue and Barnstaple Road on Waterview Street, Five Dock, and/or
- 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 also examined 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, but further evidence was heard in September 2021 and the evidence concluded on 1 October 2021.

Operation Keppel initially involved allegations concerning Daryl Maguire, then NSW member of Parliament for Wagga Wagga. A public inquiry was held between September and October 2020. In October 2021, the Commission announced that

a further public inquiry would be conducted into whether, between 2012 and 2018, the Hon Gladys Berejiklian MP engaged in conduct that:

- constituted or involved a breach of public trust by exercising public functions in circumstances where she was in a position of conflict between her public duties and her private interest as a person who was in a personal relationship with the then NSW member of Parliament, Mr Maguire, in connection with: grant funding promised and/or awarded to the Australian Clay Target Association Inc in 2016/2017; and grant funding promised and/or awarded to the Riverina Conservatorium of Music in Wagga Wagga in 2018; and/or
- constituted or involved the partial exercise of any of her official functions, in connection with: grant funding promised and/or awarded to the Australian Clay Target Association Inc in 2016/2017; grant funding promised and/or awarded to the Riverina Conservatorium of Music in Wagga Wagga in 2018; and/or
- constituted or involved the dishonest or partial exercise of any of her official functions and/or a breach of public trust by refusing to exercise her duty pursuant to s 11 of the ICAC Act to report any matter that she suspected on reasonable grounds concerned or may concern corrupt conduct in relation to the conduct of Mr Maguire; and/or
- was liable to allow or encourage the occurrence of corrupt conduct by Mr Maguire.

The further public inquiry commenced on 18 October 2021 and evidence concluded on 1 November 2021.

In Operation Paragon, the Commission investigated an allegation that, between 2009 and June 2019, Alexandre Dubois and Craig Steyn, then employees of NSW 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. The evidence concluded on 29 March 2022.

In Operation Tolosa, the Commission is investigating the conduct of the City of Canada Bay mayor, Angelo Tsirekas, and others. The public inquiry commenced on 26 April 2022 and evidence is scheduled to conclude in July 2022.

In Operation Galley, the Commission is investigating whether, between 2014 and 2021, then Hurstville City Council (HCC) and later Georges River Council

(GRC) councillors Constantine Hindi and Vincenzo Badalati, and then HCC councillor Philip Sansom, sought and/or accepted benefits as an inducement or reward for partially and dishonestly exercising their official functions to favour the interests of Ching Wah (Philip) Uy, Wensheng Liu and Yuqing Liu in relation to planning matters affecting 1–5 Treacy Street and 1 Hill Road, Hurstville (“the Treacy Street development”), and 53–57 Forest Road, 108–126 Durham Street and 9 Roberts Lane, Hurstville (“the Landmark Square development”).

The Commission is also examining whether, during that period, councillors Hindi, Badalati and Sansom deliberately failed to declare or properly manage any conflict of interest arising from their relationships with Mr Uy, Wensheng Liu and Yuqing Liu and whether, also between 2014 and 2021, Mr Uy, Wensheng Liu and Yuqing Liu provided benefits, including overseas flights and accommodation, to councillors Hindi, Badalati and Sansom, as a reward or inducement to favour their interests in relation to Council decisions regarding planning matters affecting the Treacy Street and Landmark Square developments.

The public inquiry commenced on 14 June 2022.

On 22 June 2022, the Commission decided to also investigate as part of the public inquiry whether, between 16 November 2011 and 9 July 2012, Mr Uy corruptly gave \$10,000 cash to then HCC Councillor Hindi, as a reward or inducement for Councillor Hindi to partially and dishonestly exercise his official functions to favour the interests of Mr Uy and Wensheng Liu in relation to land bounded by Gloucester Road, Carrington Avenue and Garthons Lane, Hurstville.

Witness Cooperation Policy

This 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 sets out how the Commission can protect those who assist it, and what potential benefits are available for those who cooperate. Those potential benefits include:

- acknowledgement of assistance in an investigation report
- exercise of discretion to not make corrupt conduct findings
- exercise of discretion not to recommend consideration of prosecution action

- recommending to the NSW Attorney General that a person be granted indemnity from prosecution for a specified offence
- provision of a letter to a relevant court setting out details of a person's cooperation to be taken into account when the court imposes a sentence.

It is to be noted that merely fulfilling certain legal obligations under 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 the policy.

The policy is accessible from the Commission's public website and is also set out in the *Information for Witnesses* brochure provided to witnesses who are required to give evidence at a compulsory examination or public inquiry.

An example of the uptake and effectiveness of the policy can be demonstrated by reference to the Commission's Operation Aero report, released in February 2022, titled *Investigation into political donations facilitated by Chinese Friends of Labor in 2015* (“the Aero report”). The investigation concerned \$100,000 cash in political donations received by NSW Labor and Country Labor in connection with a fundraising event held in the lead up to the NSW state election in 2015. A public inquiry was conducted between August and December 2019. During the course of the investigation, a number of witnesses changed their evidence. In some cases, the change materially assisted the Commission to progress the investigation.

In the Aero report, the Commission noted that one witness, Steve Tong, initially gave false evidence in the first day of his compulsory examination but, immediately after returning to give evidence on the second day, he apologised for giving false evidence and said he would like to tell the truth going forward. From that point, he assisted the investigation by providing evidence that the Commission accepted as a full and accurate account. He also provided the Commission with documentary evidence corroborating his account.

As further noted in the Aero report, his assistance came at a critical stage in the investigation and materially advanced the progress of the investigation. In those circumstances, the Commission exercised

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 sourcing of software systems for the Western Sydney Institute of TAFE (Operation Lancer) (no public inquiry)	31/7/21	19/10/21	80
Investigation into political donations facilitated by Chinese Friends of Labor in 2015 (Operation Aero) (36-day public inquiry)	28/1/21	28/2/22	396
Investigation into the awarding of contracts by employees of the former NSW Roads and Maritime Services (Operation Ember) (23-day public inquiry)	11/5/20	20/5/22	739

* 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 for 75% of reports to be completed within two months (60 days), where the duration of the public inquiry was five or less days and three months (90 days) otherwise.

its discretion not to recommend consideration be given to seeking the advice of the DPP in relation to the false evidence he gave in his initial compulsory examination.

A similar discretion was exercised, for similar reasons, with respect to the false evidence given by Valentine Yee at the public inquiry on 12 September 2019.

Investigation 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 2021–22, the Commission furnished three investigation reports to the Presiding Officers. Each report was immediately made public by the Presiding Officers.

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

Other publications

The Commission published its *Annual Report 2020–2021* in October 2020.

In September 2021, the Commission published *Probity in procurement: tips from a professional*. This paper provides insight into procurement probity from experienced probity adviser Scott Alden, a partner at law firm HWL Ebsworth.

In November 2021, the Commission published *Dealing with incumbent providers in procurement*. This publication explains the inherent probity and corruption risks when dealing with incumbency in procurement and how those risks may be mitigated.

In December 2021, the Commission published *Obtaining independent advice: dos and don'ts*. This publication provides public sector agencies with guidance about the best way to obtain and use independent advisers.

In April 2022, the Commission published *Factfinder: A guide to conducting internal investigations* to provide practical assistance for those involved in conducting internal investigations.

The Commission also met its target of producing two editions of the *Corruption Matters* e-newsletter. One was published in November 2021 and the other in June 2022. This publication raises awareness in the public sector and the wider community about corruption-related matters and the Commission's activities. The newsletters can be accessed via the Commission's website.

During the reporting period, the number of external visitor sessions to the Commission's website at www.icac.gov.au was over 1.6 million, more than double the previous year.

Corrupt conduct findings and recommendations for prosecution/disciplinary action

In the three reports furnished in 2021–22, the Commission made corrupt conduct findings against 11 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 the three reports furnished in 2021–22, the Commission recommended the advice of the DPP be obtained in relation to the prosecution of 28 people or entities 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	61
Finance	64
Internal committees	64
Information management and technology	66
Modern day slavery statement.....	67

In 2021–22, the Commission employed an average of 121.86 full-time equivalent (FTE) officers and Commissioners across its eight functional divisions and units. At the end of the reporting period, of the 122 officers and Commissioners (head count) engaged at the Commission, there were three Commissioners (the full-time Chief Commissioner and two part-time Commissioners), 104 officers employed on a permanent basis, nine on a temporary basis, and six 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, which continued throughout 2021–22.

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.

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

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

- Commission Budget Policy
- Conflicts of Interest Policy
- Reporting of Public Interests Disclosures by Commission Officers
- Records Management Policy
- Intellectual Property Management Policy
- Social Media Policy
- Media Policy
- Privacy Management Plan.

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	2021–22	2020–21	2019–20	2018–19	2017–18	2016–17
Executive	3	3	3	3	1.18	1
Communications & Media	4	3.99	3.94	3.91	3.91	3.97
Executive Support	4.7	4.78	4.18	2.93	3.27	2.53
Corporate Services	18.55	17.97	17.47	17.05	17.55	18.34
Corruption Prevention	15.78	15.09	14.41	14.64	13.61	11.61
Legal	11.43	10.69	11.11	10.09	10.43	8.78
Investigation	52.96	50.82	49.19	50.91	44.47	41.84
Assessments	11.44	12.25	11.61	10.97	10.54	10
Total	121.86	118.59	114.91	113.5	104.96	98.07

The Commission's formal 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 2021–22, staff participated in learning activities across a broad range of skill and knowledge areas including:

- information technology (both general and specialised applications)
- leadership
- interpersonal communication
- legal, including, but not limited to, Continuing Legal Education (CLE)
- complaint-handling
- 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, presentations and webinars, including a focus on investigative skills, legal training, work health and safety, and communication skills. Staff were also able to access programs that were freely available via the internet.

In 2021–22, there were 352 staff attendances at formal learning activities. On average, each staff member participated in 15.91 hours of formal development (including conferences, seminars, structured and online training) during the year.

In 2021–22, the Commission continued to roll out a learning management system – the ICAC Learning Hub – to provide increased access to structured, tailored and timely learning processes for all Commission officers. This enabled access to generic learning programs as well as mandatory Commission-specific modules.

Development opportunities also arose for staff to undertake higher duties and temporary appointments

within the Commission, as well as secondments to government organisations in NSW, the Australian Capital Territory and the Commonwealth.

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.

In line with Award conditions, a 2.5% increase to salaries, inclusive of superannuation, became effective from 1 July 2021. The increase also applied to Award allowances, such as the Associate Allowance, the Community Language Allowance and the First Aid Officer's Allowance. ICAC Award increases are generally consistent with the Crown Employees (Public Sector – Salaries) Award.

In 2021–22, the Statutory and Other Offices Remuneration Tribunal (SOORT) provided a 2.5% increase to the total remuneration packages of senior executive staff and the Commissioners.

Staff performance management

The Commission has a structured performance development 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 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 development 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.

Risk management

During 2021–22, 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, and other business continuity processes, are being 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 the year, the operating guidelines and procedures for the conduct of public inquiries and compulsory examinations were further revised and updated to incorporate relevant health advice in relation to the pandemic and new information following the upgrading of the Commission's audio and visual equipment used in its Hearing Rooms.

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 2021–22, 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
2021–22	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 2021–22 reporting period, 36 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 two Commission officers, and accepted sponsorship of an additional officer 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 Section continues the use of specialised financial accounting software to improve its efficiency in preparing financial statements and has further enhanced system interfaces between its payroll and finance applications.

The section played an important role in the preparation of the Commission's business case for additional recurrent funding in the budget submissions to NSW Treasury. The business case sought appropriately sized Legal, Investigative, Corruption Prevention and Corporate Services divisions, to service the Commission under the three-Commissioner model introduced in August 2017. The business case was subsequently approved by the Expenditure Review Committee.

Review

This process followed the NSW Auditor-General's October 2020 special report on *The effectiveness of the financial arrangements and management practices in four integrity agencies*, which noted that, in 2018, the Commission had commissioned a review that included a comparison to the corporate costs of three similar agencies, but had not conducted a comprehensive review of its Corporate Services Division to determine whether its current size and structure best met the organisation's needs, resulting in no major changes to the structure of the Corporate Services Division since the introduction of the three-commissioner model.

The Commission subsequently engaged KPMG to review its workforce and, in February 2021, KPMG recommended in its report that there be increased funding and resourcing, including substantially for the Corporate Services Division. While the Commission's budget bid for additional staff for the division was not successful in 2021–22, a further request at a lower level for 2022–23 in February 2022 succeeded in obtaining additional corporate services staff as part of funding for the next financial year.

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 Investigations 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.

The Committee also contributed to the review and update of working-from-home guidelines. It also conducts regular workplace inspections and facilitates the resolution of safety issues. See Appendix 11.

Audit and Risk Committee (ARC)

The primary 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.

Internal Audit and Risk Management Attestation Statement for the 2021–2022 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 fit 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 and their appointment dates are as follows:

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



Philip Reed

Accountable Authority
Independent Commission Against Corruption
19 July 2022



Andrew Koureas
Chief Audit Executive

During 2021–22, the internal audit services provider conducted a review of the Commission's property and exhibits management to assess the design of governance frameworks, processes and controls supporting the management of property and exhibits. A further corruption prevention audit was also completed, the aim of which was to assess the design and operating effectiveness of key controls within the Commission's corruption prevention processes and to consider any potential improvement opportunities based on leading practices.

In May 2021, a review commenced of the Commission's key financial controls. The final report was provided in early October 2021. The completed internal auditor reports contained several recommendations designed to improve operational efficiencies, strengthen internal controls and enhance key quality assessments assurance activities.

Through an open tender process, the Commission engaged BDO Services Pty Ltd as its new internal audit services provider following two, four-year terms by the previous provider (KPMG).

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 was \$152,803 (including GST), while the remaining deposit premiums were \$1,193,412, of which \$1,174,028 (including GST) related to liability cover. Both these amounts were funded by NSW Treasury.

Information management and technology

Information technology upgrades

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

- completed audio and video technology upgrades to the Commission's Hearing Rooms in order to improve stability, reduce failures and provide remote attendance
- implemented several security controls relevant to the NSW Government's Cyber Security Policy in order to improve the Commission's security compliance levels and address data loss prevention requirements
- completed replacement of digital storage platforms to cater to increased capacity for the backup of IT systems
- obtained \$1.04 million grant via the NSW Government Digital Restart program in order to meet resource requirements for security compliance
- replaced all mobile telephones.

In 2021–22, projects were commenced for further improvements in security compliance with the NSW Government's Cyber Security Policy, and the development of the IT Cloud Strategy.

Information security

The Commission is strongly committed to information security and has approved funding for 2022–24 to enhance its systems and security controls.

To this end, the Commission has developed a program of work to improve compliance with the NSW Government's 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.

Applications services

The Applications Services Group has completed upgrades of the Commission's major case management and records management systems. 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.

New projects

The following key projects are planned for 2022–23:

- establish the Application Architecture Strategy and Roadmap
- continue projects in cyber security and Essential 8 compliance
- introduce PROTECTED level security compliance for the Commission's M365 tenancy
- upgrade digital storage capacity
- exchange email systems upgrade and migration to Cloud services.

Modern day slavery statement

The Commission is committed to the elimination of all forms of modern slavery, including use of child labour, exploitation and servitude.

The Commission's discretionary procurement expenditure out of its total operating and capital expenditure comprises a small percentage of its total spend.

The Commission has sought advice from NSW Procurement about contracts involving information and communications equipment and other

general office supply contracts. The Commission understands that there is currently a pilot underway to evaluate whether such due diligence work can be performed centrally through NSW Procurement. The Commission is also awaiting advice from Property NSW regarding its cleaning contract and whether due diligence has been conducted on it.

Actions planned to address modern day slavery risks are as follows.

- The Commission will undertake an update of its Procurement Policy to reflect the *Modern Slavery Act 2018* requirements. It will also identify and advise relevant staff associated with undertaking procurement activities.
- A general awareness training package will be developed and conducted for those staff identified as part of the procurement process.

Cyber Security Annual Attestation Statement for the 2021–2022 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.

The Commission has secured Digital Restart Funds for 2021–2024 to assist in providing resources required to uplift the cyber security compliance levels consistent with the NSW Cyber Security Policy 2022.

Additionally, the Commission has made some provision in its allocated budget to enable significant cyber security improvements to be implemented throughout 2021–2022 and 2022–2023.

Execution of the Cyber Security Uplift project commenced in February 2022 and several cyber security controls have now been fully implemented. The program of work to implement further controls and process improvements will continue in 2022–2023 and beyond.

The risks to the information and systems of the 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 twelve months and will formally test the plan during 2022–2023 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 Tesserent. The audit found the Commission's controls to be adequate or were being properly addressed in a timely manner.



Philip Reed
Chief Executive Officer

This page is intentionally blank.

Financials

Statement of comprehensive income for the year ended 30 June 2022.....	75
Statement of financial position as at 30 June 2022.....	76
Statement of changes in equity for the year ended 30 June 2022.....	77
Statement of cash flows for the year ended 30 June 2022.....	78
Notes to and forming part of the financial statements for the year ended 30 June 2022	79



INDEPENDENT COMMISSION
AGAINST CORRUPTION
NEW SOUTH WALES

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:

- (a) 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
- (b) present fairly the Independent Commission Against Corruption's financial position, financial performance and cash flows.

A handwritten signature in black ink, appearing to read 'Philip Reed'.

Philip Reed
Chief Executive Officer
23 September 2022



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 2022, the Statement of Financial Position as at 30 June 2022, 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.

Other Information

The Commission's annual report for the year ended 30 June 2022 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Chief Executive Officer of the Commission is responsible for the other information.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

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 Regulation 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.

A handwritten signature in black ink, appearing to read 'JMP', with a stylized loop at the end.

Jan-Michael Perez
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

26 September 2022
SYDNEY

Statement of Comprehensive Income for the year ended 30 June 2022

	Notes	Budget 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Continuing operations				
Expenses excluding losses				
Employee-related expenses	2(a)	20,626	20,417	19,415
Operating expenses	2(b)	7,062	6,681	5,828
Depreciation and amortisation	2(c)	2,864	3,132	3,190
Finance costs	2(d)	242	205	211
Total expenses excluding losses		30,795	30,435	28,644
Revenue				
Appropriations	3(a)	31,873	26,985	28,251
Grants and contributions	3(b)	–	1,040	–
Acceptance by the Crown of employee benefits and other liabilities	3(c)	486	714	717
Other income	3(d)	27	5	3
Total Revenue		32,386	28,744	28,971
Gain/(loss) on disposal	4	–	(4)	–
Net result	16	1,591	(1,695)	327
Other comprehensive income		–	–	–
Total other comprehensive income		–	–	–
Total comprehensive income		1,591	(1,695)	327

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2022

	Notes	Budget 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Assets				
Current Assets				
Cash and cash equivalents	5	4,187	1,391	2,458
Receivables	6	1,248	1,096	955
Total Current Assets		5,435	2,487	3,413
Non-Current Assets				
Receivables	6	–	108	198
Property, plant and equipment	7			
– Land and buildings		–	29	43
– Plant and equipment		2,348	1,361	1,484
Total property, plant and equipment		2,348	1,390	1,527
Right-of-use assets	8	9,074	9,687	11,525
Intangible assets	9	625	504	592
Total Non-Current Assets		12,047	11,689	13,842
Total Assets		17,482	14,176	17,255
Liabilities				
Current Liabilities				
Payables	10	457	709	528
Lease liabilities	8, 11	2,058	2,299	2,124
Provisions	12	1,849	2,977	2,795
Total Current Liabilities		4,364	5,985	5,447
Non-Current Liabilities				
Lease liabilities	8, 11	7,215	7,524	9,744
Provisions	12	1,225	1,590	1,292
Total Non-Current Liabilities		8,440	9,114	11,036
Total Liabilities		12,804	15,099	16,483
Net Assets		4,678	(923)	772
Equity				
Accumulated funds		4,678	(923)	772
Total Equity		4,678	(923)	772

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2022

	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance at 1 July 2021	772	–	772
Net result for the year	(1,695)	–	(1,695)
Other comprehensive income	–	–	–
Total other comprehensive income	–	–	–
Total comprehensive income for the year	(1,695)	–	(1,695)
Balance at 30 June 2022	(923)	–	(923)
Balance at 1 July 2020	445	–	445
Net result for the year	327	–	327
Other comprehensive income	–	–	–
Total other comprehensive expense	–	–	–
Total comprehensive income for the year	327	–	327
Balance at 30 June 2021	772	–	772

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2022

	Notes	Budget 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Cash flows from operating activities				
Payments				
Employee related		20,140	19,465	18,251
Suppliers for goods and services		6,862	7,598	7,124
Finance costs		242	205	279
Total Payments		27,245	27,268	25,654
Receipts				
Appropriation	3(a)	31,873	26,985	28,251
Sale of goods and services		–	8	8
Grants and other contributions	3(b)	–	1,040	–
Other		27	986	656
Total Receipts		31,900	29,019	28,915
Net cash flows from operating activities	16	4,655	1,751	3,261
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		–	4	–
Purchase of property, plant and equipment and intangible assets		(892)	(669)	(710)
Other		(523)	–	–
Net cash flows from operating activities		(1,415)	(665)	(710)
Cash flows from investing activities				
Payment of principal portion of lease liabilities		(2,058)	(2,153)	(2,010)
Net cash flows from financing activities		(2,058)	(2,153)	(2,010)
Net increase/(decrease) in cash and cash equivalents		1,182	(1,067)	541
Opening cash and cash equivalents		3,005	2,458	1,917
Closing cash and cash equivalents	5	4,187	1,391	2,458

The accompanying notes form part of these financial statements.

Notes to and forming part of the financial statements for the year ended 30 June 2022

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 2022 have been authorised for issue by the Chief Executive Officer on 23 September 2022.

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.

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 as outlined in the NSW Budget Papers for 2022–23. Following the submission of a business case for additional recurrent funding, the Commission, as a result, increased its funding allocation with the appropriation also providing a separate integrity agencies contingency amount of \$20 million. The Commission is able to draw down an amount from this contingency, subject to Treasurer approval, to meet unforeseen operational funding requirements. Therefore, the need for in year grant supplementation from the Department of Premier and Cabinet (DPC) will no longer be required.

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

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

- 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.

Notes to and forming part of the financial statements for the year ended 30 June 2022

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. Equity and reserves

Accumulated funds

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

g. 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(a) shows the financial position of the special account created for this purpose.

The Commission receives monies in a trustee capacity for the Australian Public Sector Anti-Corruption Conference 2022 (APSACC 2022) as set out in Note 17(b). As the Commission performs only a custodial role in respect of these monies and because the monies cannot be used for the achievement of the Commission's own objectives, these funds are not recognised in the financial statements.

h. 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.

i. 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.

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

(i) Effective for the first time in 2021–22

The accounting policies applied in 2021–22 are consistent with those of the previous financial year except as a result of the new or revised Australian Accounting Standards, that have been applied for the first time in 2021–22. The adoption of these new Standards did not have any material impact on the Commission's 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:

- AASB 17 *Insurance Contracts*

Notes to and forming part of the financial statements for the year ended 30 June 2022

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments*
- AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date*
- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*
- AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- AASB 2021-6 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*
- AASB 2021-7a *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- AASB 2021-7b *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- AASB 2021-7c *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*

The Commission anticipates that the adoption of these Standards in the period of initial application will have no material impact on the financial statements.

k. Impact of COVID-19 on Financial Reporting for 2021–22

There are no significant impacts identified or reported on the Commission's financial statements due to the COVID-19 pandemic.

l. Superannuation on Annual Leave Loading

The Commission has determined that it is not probable a liability arises to pay superannuation on annual leave loading. This position has been formed based on current inquiries, other information currently available to management, and after considering the facts from a decision in the *Federal Court of Australia: Finance Sector Union of Australia v Commonwealth Bank of Australia* [2022] FedCFamC2G 409. That decision confirmed that, in relation to the industrial agreement considered in that case, annual leave loading did not form part of ordinary time earnings and therefore, did not require superannuation contributions to be made under superannuation guarantee legislation because the obligation to pay annual leave loading was not referable to ordinary hours of work or to ordinary rates of pay. Rather, it was paid by reference to the period of annual leave, and for the purpose of compensating employees for their loss of opportunity to work additional hours at higher rates during this period.

This position will be re-assessed in future reporting periods as new information comes to light on this matter.

Notes to and forming part of the financial statements for the year ended 30 June 2022

2. Expenses excluding losses

(a) Employee-related expenses	2022 \$'000	2021 \$'000
Salaries and wages (including annual leave)	17,256	16,310
Superannuation – defined benefit plans	114	112
Superannuation – defined contribution plans	1,389	1,260
Long service leave	582	651
Workers compensation insurance	140	143
Payroll tax and fringe benefits tax	936	874
Redundancy	–	65
Employee-related expenses	20,417	19,415
(b) Operating expenses	2022 \$'000	2021 \$'000
Advertising and publicity	34	1
Auditors remuneration		
– audit of the financial statements	44	31
Books and subscriptions	269	214
Cleaning	64	95
Consultants	140	119
Contract security services	186	241
Other Contractors	427	248
Courier and freight	–	1
Disaster Recovery	62	66
Electricity	68	70
External legal fees	1,426	1,208
Fees for services	248	205
Insurance	1,084	985
Maintenance	1,164	1,005
Minor computer equipment/licences	29	83
Variable lease payments, not included in lease liabilities	393	320
Postal	18	12
Printing	23	12
Stores and specialised supplies	70	170
Telephone & telecommunications	222	233
Training	125	131
Transcript fees	151	170
Travelling, airfares, subsistence, taxi and vehicle rental	21	20
Other	413	188
Operating expenses	6,681	5,828

Notes to and forming part of the financial statements for the year ended 30 June 2022

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	2022 \$'000	2021 \$'000
Depreciation		
Building	14	93
Right-of-use assets	2,246	2,247
Plant and equipment	591	495
	2,851	2,835
Amortisation		
Software	281	355
Depreciation and amortisation	3,132	3,190

Refer to Note 7 for Recognition and Measurement policies on depreciation and amortisation.

(d) Finance costs	2022 \$'000	2021 \$'000
Interest expense from lease liabilities	205	211
Finance costs	205	211

Notes to and forming part of the financial statements for the year ended 30 June 2022

3. Revenue

(a) Summary of Compliance at Minister Level	2022 \$'000	2021 \$'000
Amount Appropriated per Appropriation Act	31,873	30,814
Other Appropriations		
Variations made to the appropriations during the financial year		
COVID-19 pandemic and inflation (per s 34 of the Appropriation Act)	197	
Total spending authority from parliamentary appropriations, other than deemed appropriations	32,070	30,814
Add:		
The spending authority from deemed appropriations during the current year	2,038	664
The unutilised spending authority from deemed appropriations in prior years	664	
Total	34,772	31,478
Less: total expenditure out of the Consolidated Fund	27,937	26,364
Variance	6,835	5,114
Less:		
The spending authority from appropriations lapsed at 30 June	(4,133)	(4,450)
Deemed appropriations balance carried forward to following years	2,702	664

The *Appropriation Act 2021* ("the Appropriation Act") (and the subsequent variations, if applicable) appropriates the sum of \$32,070,000 to the Premier of NSW out of the Consolidated Fund for the services of the Commission for the year 2021–22.

The responsible minister(s) for the Commission, ie the Premier of NSW and Attorney-General, are taken to have been given an appropriation out of the Consolidated Fund under the authority s 4.7 of the *Government Sector Finance Act 2018*, at the time the Commission receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by the Commission.

The spending authority of the Premier from the Appropriation Act and that of the Attorney-General from deemed appropriation money has been delegated/sub-delegated to officers of the Commission.

The summary of compliance has been prepared on the basis of aggregating the spending authorities of both the Premier and the Attorney-General for the services of the Commission. It reflects the status at the point in time this disclosure statement is being made.

It should be noted that the deemed appropriation is a legal concept and does not correlate to the Commission's cash balances. It has accumulated due to the Commission underspending its appropriation, as cash flows utilise appropriations in the first instance. Whilst the Commission remains within their allocated budget amount, this will likely continue to increase deemed appropriations carried forward to following years. It is highly unlikely that the deemed appropriation amount will therefore be eliminated.

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.

Notes to and forming part of the financial statements for the year ended 30 June 2022

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	2022 \$'000	2021 \$'000
Grant from the Digital Restart Fund		
– Recurrent	1,040	–
– Capital	–	–
	1,040	–

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 mentioned in Note 1(d) a separate integrity agencies contingency fund has been provided, to meet unforeseen operational funding requirements. Should the Commission require this supplementation, no enforceable specific performance obligations are expected, as defined by AASB 15 *Contracts with Customers* for this particular funding.

(c) Acceptance by the Crown of employee benefits and other liabilities	2022 \$'000	2021 \$'000
The following liabilities and/or expenses have been assumed by the Crown		
Superannuation – defined benefit	114	104
Long service leave	595	608
Payroll tax	5	5
	714	717

(d) Other income		
Other – miscellaneous	5	3

4. Gain/(loss) on disposal

	2022 \$'000	2021 \$'000
Land and building	–	–
Plant and computer equipment	(8)	–
Written-down value of assets disposed	(8)	–
Less: Proceeds on Disposal	4	–
Gain/(loss) on disposal	(4)	–

Notes to and forming part of the financial statements for the year ended 30 June 2022

5. Current assets – cash and cash equivalents

	2022 \$'000	2021 \$'000
Cash at bank and on hand	1,391	2,458
Total cash and cash equivalents	1,391	2,458

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:

	2022 \$'000	2021 \$'000
Cash and cash equivalents (per Statement of Financial Position)	1,391	2,458
Closing cash and cash equivalents (per Statement of Cash Flows)	1,391	2,458

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

6. Current/Non-current assets – receivables

	2022 \$'000	2021 \$'000
Trade receivables	3	14
GST	319	352
Prepayments	774	589
	1,096	955
Prepayments–non-current	108	198
	1,204	1,153

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.

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.

Notes to and forming part of the financial statements for the year ended 30 June 2022

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 2021 to 30 June 2022, 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 2020—fair value			
Gross carrying amount	5,013	5,273	10,286
Accumulated depreciation and impairment	(4,907)	(3,827)	(8,734)
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
Additions	30	532	562
Disposals	—	—	—
Transfers/adjustments in/out	—	—	—
Depreciation expense	(93)	(495)	(588)
Net carrying amount at end of year	43	1,484	1,527
	Buildings \$'000	Property, plant & equipment \$'000	Total \$'000
At 1 July 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
Year ended 30 June 2022			
Net carrying amount at start of year	43	1,484	1,527
Purchase of assets	—	476	476
Reclassification to assets held for sale	—	—	—
Disposals	—	(8)	(8)
Write-offs	—	—	—
Depreciation expense	(14)	(591)	(605)
Net carrying amount at end of year	29	1,361	1,390
At 30 June 2022—fair value			
Gross carrying amount	102	4,651	4,753
Accumulated depreciation and impairment	(73)	(3,290)	(3,363)
Net carrying amount	29	1,361	1,390

Notes to and forming part of the financial statements for the year ended 30 June 2022

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 (TPP21-09). This policy adopts fair value in accordance with AASB 13 *Property, Plant and Equipment*, AASB 116 *Fair Value Measurement* 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.

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 first table on page 89.

Notes to and forming part of the financial statements for the year ended 30 June 2022

	Gross value measurement bases	Depreciation method	Useful life in years	Depreciation life in years
Asset category			2021–22	2020–21
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 and Development 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 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
Balance at 1 July 2021	11,490	35	11,525
Additions	300	108	408
Depreciation expense	(2,185)	(61)	(2,246)
Other movements	–	–	–
Balance at 30 June 2022	9,605	82	9,687

Notes to and forming part of the financial statements for the year ended 30 June 2022

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 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
Balance at 1 July 2021	11,837	31	11,868
Additions	–	108	108
Interest expense	204	1	205
Payments	(2,297)	(62)	(2,359)
Balance at 30 June 2022	9,744	78	9,822

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

	2022 \$'000	2021 \$'000
Depreciation expense of right-of-use assets	2,246	2,247
Interest expense on lease liabilities	205	211
Expense relating to short-term leases	–	–
Expense relating to leases of low-value assets	–	–
Total amount recognised in the Statement of Comprehensive Income	2,451	2,458

The entity had total cash outflows for leases of approximately \$2.3 million in FY 2021–22 (FY 2020–21: \$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.

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

Notes to and forming part of the financial statements for the year ended 30 June 2022

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 is considered to be low value. The Commission usually purchases low-value assets outright. As at 30 June 2022, there are no leases of low-value assets.

9. Intangible Assets

	Software \$'000	Work in progress \$'000	Total \$'000
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
Disposals	–	–	–
Transfers from/to other asset classes	–	–	–
Amortisation	(355)	–	(355)
Net carrying amount at end of year	389	203	592
At 1 July 2021 – fair value			
Cost (gross carrying amount)	1,841	203	2,044
Accumulated amortisation and impairment	(1,452)	–	(1,452)
Net carrying amount	389	203	592
Year ended 30 June 2022			
Net carrying amount at start of year	389	203	592
Additions	–	193	193
Disposals	–	–	–
Transfers from/to other asset classes	(308)	(308)	(0)
Amortisation	(281)	–	(281)
Net carrying amount at end of year	416	88	504
At 30 June 2022 – fair value			
Gross carrying amount	2,033	88	2,121
Accumulated amortisation and impairment	(1,617)	–	(1,617)
Net carrying amount	416	88	504

Notes to and forming part of the financial statements for the year ended 30 June 2022

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			2021–22	2020–21
Software	Purchase price	Straight line	4	4

10. Current liabilities – payables

	2022 \$'000	2021 \$'000
Accrued salaries, wages and on-costs	298	240
Accrued expenses – other operating expenses	33	287
Creditors	378	1
Total Current liabilities – payables	709	528

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 2022

11. Current/non-current liabilities – lease liabilities

	2022 \$'000	2021 \$'000
Current liabilities		
Lease liabilities	2,299	2,124
Total Current liabilities – lease liabilities	2,299	2,124
Non-Current liabilities		
Lease liabilities	7,524	9,744
Total Non-current liabilities – lease liabilities	7,524	9,744

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	2022 \$'000	2021 \$'000
Employee benefits and related on-costs		
Annual leave		
Annual leave (includes annual leave loading)	1,922	1,754
Annual leave on-cost	195	171
Payroll tax on annual leave, long service leave (and fringe benefits tax payable)	340	338
Long service leave on-cost	520	532
	2,977	2,795

Non-current	2022 \$'000	2021 \$'000
Employee benefits and related on-costs		
Long service leave on-costs	51	52
Provision for payroll tax on long service leave	24	25
Asset remediation and restoration	1,515	1,215
	1,590	1,292

Aggregate employee benefits and related on-costs	2022 \$'000	2021 \$'000
Provision – current	2,977	2,795
Provision – non-current	75	77
Accrued salaries, wages and on-costs (Note 10)	298	240
	3,350	3,112

Notes to and forming part of the financial statements for the year ended 30 June 2022

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 2022 \$’000	“Make good” provision 2021 \$’000
Carrying amount at the beginning of the financial year	1,215	1,215
Additional provisions recognised	300	–
Amounts used	–	–
Carrying amount at the end of the financial year	1,515	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 2022

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 four 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 2021–22, the Commission reviewed its “make good” provision, requesting an updated estimate from the previous estimate provided by Schiavello Construction (NSW) Pty Ltd. As the cost increase over the two-year period was material, the “make good” provision was adjusted accordingly.

As the effect of the time value of money is material, provisions are discounted at 2.11% (2020–1:1.87%), 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:

	2022 \$'000	2021 \$'000
Within one year	27	486
Later than one year and not later than five years	–	–
Later than five years	–	–
Total (including GST)	27	486

14. Contingent liabilities and contingent assets

Contingent liabilities

The Commission has one legal matter that is currently in the process of recovering court costs previously awarded to the Commission. These are the legal expenses for the Crown Solicitor who was acting on the Commission's behalf. Expenses to date are higher than initial estimates, although any contingent liability that arises is expected to be resolved before the matter is concluded. (2020–21: Nil contingent liabilities).

Contingent assets

The Commission has no contingent assets as at 30 June 2022 (2020–21: Nil)

15. Budget Review

Net result

The net deficit of \$1.695m is \$3.286m worse than the original budgeted net surplus of \$1.591m. The major contributor to this variance is a reduction in Appropriations revenue of \$4.9m. The majority of this reduction is in accordance with the NSW Treasury cash management reforms, restricting agencies to hold cash balances to only cover their immediate operational requirements (per fortnight). Offsetting this is a minor amount of \$0.6m in funding (\$0.15m in recurrent and \$0.45m in capital) being carried forward from 2021–22 to 2022–23 due to COVID-19 delivery and operational delays. The Commission's expenditure was within its allocated

Notes to and forming part of the financial statements for the year ended 30 June 2022

budget for the financial year, with favourable operating variances from postponed planned compulsory examinations and public inquiries due to COVID-19 restrictions in the first half of the financial year.

Assets and liabilities

The largest variance to original budget is in relation to the above-mentioned reduction in the Commission's cash reserves due to the reduced appropriation revenue received. Late audit adjustments to the Commission's initial lease liabilities reported in 2019–20 were made in the 2020–21 financial statements which were posted in the 2021–22 budgeted financial statements. These included increases to the right-of-use assets of \$0.4m and \$0.6m lease liabilities. There were asset disposals in Plant and equipment and Intangibles of \$0.9m, as well as higher payables from higher activity in the latter months of the financial year.

Cash flows

The cash balance as at 30 June 2022 of the Commission is \$2.796m lower than that of the budgeted amount of \$4.187m. As outlined above, this is largely due to the Commission's lower appropriation revenue, partially offset by the carry forward amount in recurrent operations and capital projects, combined with lower activity in the first half of the financial year.

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

	2022 \$'000	2021 \$'000
Net cash used on operating activities	1,751	3,261
Depreciation and amortisation	(3,132)	(3,190)
Written down value of asset disposed	(4)	–
Increase/(decrease) in prepayments and receivables	51	266
Decrease/(increase) in provisions and other liabilities	(180)	71
Decrease/(increase) in payables	(181)	(81)
Net result	(1,695)	327

17. Trust Funds

	2022 \$'000	2021 \$'000
(a) s 47 Division 4A of the ICAC Act		
Opening balance as at 1 July	212	184
Deposits	–	141
Less	–	–
Payments	–	(113)
Total trust funds as at 30 June	212	212

(b) APSACC		
Opening balance as at 1 July	–	–
Deposits	216	–
Less		
Payments	(102)	–
Total trust funds as at 30 June	114	–

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

Notes to and forming part of the financial statements for the year ended 30 June 2022

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:			2022 \$'000	2021 \$'000
Cash and cash equivalents	5	N/A	1,391	2,458
Receivables ¹	6	Receivables at amortised cost	3	14
Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
Class:			2022 \$'000	2021 \$'000
Payables ²	10	Financial liabilities measured at amortised cost	709	528

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 2022

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 2022 and 2021 was determined as follows:

			30 June 2022 \$'000	
	Current	<30 days	30–90 days	>90 days
Expected credit loss rate				
Estimated total gross carrying amount	3	–	9	–
Expected credit loss	–	–	–	–

			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	–	–	–	–

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 2022.

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. For

Notes to and forming part of the financial statements for the year ended 30 June 2022

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:

	2022 \$'000		2021 \$'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.

(d) 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.

(e) 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:

Notes to and forming part of the financial statements for the year ended 30 June 2022

- 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 is substantially the same lender on substantially different terms, or modified, such an exchange or modification are 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.

19. Related Party Disclosures

Compensation for the Commission's key management personnel, is as follows:

	2022 \$'000	2021 \$'000
Short-term employee benefits		
Salaries	1,674	1,661
Post-employment benefits	98	88
	1,772	1,749

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 2021–22 were:

	2022 \$'000	2021 \$'000
Property and Development NSW (accommodation at 255 Elizabeth Street, Sydney)	2,853	2,530
NSW Police (office security)	210	235
	3,063	2,765

20. Events after the Reporting Period

The current Chief Commissioner, the Hon Peter Hall QC and part-time Commissioners, Ms Patricia McDonald SC and Mr Stephen Rushton SC, terms are due to expire in August 2022. This is only the second time in the Commission's 33-year history that three Commissioners are to be appointed at the same time. The Commission is actively preparing an induction program to work through this transition period with the new Commissioners which will include reviewing the investigations on hand and potential future public inquiries, in accordance with their powers under the ICAC Act.

(END OF AUDITED FINANCIAL STATEMENTS)

Appendices

Appendix 1 – Complaints profile	102
Appendix 2 – Public interest disclosures	105
Appendix 3 – Statutory reporting	106
Appendix 4 – Outcomes of matters.....	107
Appendix 5 – Adoption of corruption prevention recommendations.....	108
Appendix 6 – Strategic alliances to optimise investigative outcomes.....	109
Appendix 7 – Prosecution and disciplinary action in 2021–22 arising from ICAC investigations	111
Appendix 8 – Report on the ICAC’s obligations under the <i>Government Information (Public Access) Act 2009</i>	128
Appendix 9 – Commissioners, Chief Executive Officer and executive officers	132
Appendix 10 – Workforce diversity	134
Appendix 11 – Work health and safety	135
Appendix 12 – Engagement and use of consultants	137
Appendix 13 – Payment performance indicators.....	137
Appendix 14 – Credit card certification	138
Appendix 15 – Overseas travel	138
Appendix 16 – Major works.....	138

Appendix 1 – Complaints profile

Table 25: Government sectors that were subject to matters received in 2021–22

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	41	3%	6	< 1%	0	0%	47	2%
Arts and heritage	5	< 1%	1	< 1%	0	0%	6	< 1%
Community and human services	55	4%	2	< 1%	4	6%	61	3%
Consumer and trade	11	< 1%	3	< 1%	1	2%	15	< 1%
Custodial services	38	3%	254	32%	3	5%	295	14%
Education (except universities)	49	4%	129	16%	2	3%	180	9%
Emergency services	20	2%	41	5%	2	3%	63	3%
Employment and industrial relations	1	< 1%	0	0%	0	0%	1	< 1%
Energy	3	< 1%	3	< 1%	0	0%	6	< 1%
Government and financial services	265	21%	9	1%	12	19%	286	14%
Health	122	10%	160	20%	8	13%	290	14%
Land, property and planning	42	3%	8	1%	2	3%	52	2%
Law and justice	92	7%	1	< 1%	6	10%	99	5%
Local government	495	40%	111	14%	13	21%	619	29%
Natural resources and environment	42	3%	16	2%	2	3%	60	3%
Other – unspecified	2	< 1%	0	0%	1	2%	3	< 1%
Parliament	7	< 1%	0	0%	4	6%	11	< 1%
Policing	43	3%	0	0%	0	0%	43	2%
Tourism, sport, recreation and gaming	13	1%	5	< 1%	0	0%	18	< 1%
Transport, ports and waterways	41	3%	31	4%	7	11%	79	4%
Universities	31	2%	23	3%	1	2%	55	3%

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 2021–22

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	423	34%	201	25%	5	8%	629	30%
Development applications and land rezoning	280	23%	28	4%	4	6%	312	15%
Electoral and political activities	83	7%	3	< 1%	5	8%	91	4%
Human resource and staff administration	254	20%	398	50%	1	2%	653	31%
Issue of licences or qualifications	23	2%	14	2%	0	0%	37	2%
Miscellaneous functions	90	7%	177	22%	31	49%	298	14%
Policy development and information processing	51	4%	3	< 1%	1	2%	55	3%
Processing of electronic and cash payments	11	< 1%	24	3%	19	30%	54	3%
Procurement, disposal and partnerships	187	15%	76	10%	6	10%	269	13%
Reporting, investigation, sentencing and enforcement	340	27%	119	15%	3	5%	462	22%

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 2021–22

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	94	8%	43	5%	6	10%	143	7%
Corrupt conduct related to investigations or proceedings	260	21%	37	5%	2	3%	299	14%
Failure to perform required actions not already listed	271	22%	70	9%	1	2%	342	16%
Improper use of records or information	385	31%	356	45%	11	17%	752	36%
Improper use or acquisition of funds or resources	398	32%	290	36%	25	40%	713	34%
Intimidating or violent conduct	160	13%	96	12%	2	3%	258	12%
No corrupt conduct alleged in matter	20	2%	21	3%	1	2%	42	2%
Other corrupt conduct	47	4%	45	6%	26	41%	118	6%
Partiality	586	47%	132	17%	10	16%	728	35%
Personal interests	433	35%	304	38%	6	10%	743	35%

Note: Percentages may not add to 100% because allegations may involve more than one type of corrupt conduct or allegations of corrupt conduct may not be made.

Appendix 2 – Public interest disclosures

Table 28: Number of public officials who made a PID in 2021–22

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)	721	110	711
All other PIDs	133	70	134
Total	854	180	845

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 2021–22 financial year.

Table 29: Types of allegations made in PIDs in 2021–22

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)	721	0	0	0	0	721
All other PIDs	133	0	0	0	0	133
Total	854	0	0	0	0	854

Appendix 3 – Statutory reporting

Table 30: Reports under s 76(2) of the ICAC Act in 2021–22

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 2021–22	5
76(2)(ba)(iii)	Average time to deal with complaints	40 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 2021–22	77
76(2)(ba)(iv)	Total number of public inquiries during 2021–22	5
76(2)(ba)(v)	Number of days spent during 2021–22 in conducting public inquiries	59
76(2)(ba)(vi)	Time interval between the completion of each public inquiry conducted during 2021–22 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 2021–22, the Commission furnished information to the following agencies:

- Australian Border Force
- Australian Competition and Consumer Commission
- Australian Federal Police
- Australian Securities and Investments Commission
- Australian Taxation Office
- Independent Broad-based Anti-Corruption Commission
- NSW Crime Commission
- NSW Police Force
- Queensland Police Service
- WA Corruption and Crime Commission.

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 2021–22

Date matter received	Date decided to investigate	Time interval (days)
4/06/2021	20/10/2021	138
23/06/2021	10/08/2021	48
2/11/2021	8/02/2022	98
16/11/2021	17/11/2021	1

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 2021–22

Date referred for investigation	Date investigation completed	Time taken to investigate
18/11/2021	6/05/2022	170

Appendix 4 – Outcomes of matters

Table 33: Other outcomes for matters closed during 2021–22

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	0	28	28
Disciplinary action taken by the public authority – Counselling	1	12	13
Disciplinary action taken by the public authority – Resignation	0	43	43
Disciplinary action taken by the public authority – Other	1	73	74
Systemic issues addressed by the public authority	2	8	10
Systemic issues identified by the public authority	2	1	3
No action or further action warranted by the public authority	23	100	123

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 2021–22. 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
Mistral	Service NSW	4	8 July 2021	4	0	0	0	0	100
Dasha	NSW Government	2	17 August 2021	1	1	0	0	0	100
Dasha	Department of Planning Industry and Environment	18	2 September 2021	16	2	0	0	0	100
Lancer	TAFE NSW	14	31 January 2022	14	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 2021–22

Public inquiry / matter	Agency	Number of recommendations	Date report due	Date report received	Type of report received (interim or final)
Cygnnet	Department of Communities and Justice	14	16 October 2021	15 October 2021	Interim
Avon/Mezzo	Department of Planning Industry and Environment	13	17 March 2022	10 May 2022	Interim
Avon/Mezzo	NSW Government	2	17 March 2022	10 May 2022	Interim
Tarlo*	Department of Communities and Justice	2	7 July 2021	5 July 2021	Final
Gerda	University of Sydney	24	1 September 2021	12 August 2021	Final
Estry	Corrective Services NSW	19	8 September 2021	22 March 2022	Final

* 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 a project with the NSW Police, the Law Enforcement Conduct Commission and NSW Crime Commission to determine the benefits of a 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 a current Commission investigation 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* during search warrants.

Assistance provided to external agencies

- During the reporting year, the Commission's surveillance team assisted external agencies, including the Australian Taxation Office, Australian Commission for Law Enforcement Integrity, and the Australian Federal Police.
- Commission staff met with Australian telecommunications interception agencies and the Department of Home Affairs to discuss compliance issues.
- The Commission's Strategic Intelligence and Research Unit assisted the Western Australian Corruption and Crime Commission regarding a review of its intelligence model.

Telecommunications interception and access alliances

Commission officers took part in various groups to ensure benchmarking of its capabilities. In the reporting period, meetings took place with the Interception Consultative Committee, Special Networks Committee, Inter-agency Technical Group and Sednode User Group.

National Anti-Corruption Investigation Network (NACIN) and National Intelligence Network

The Commission hosted the inaugural NACIN and 2nd NIN conference in Sydney between 5 and 7 April 2022, with all 10 Commonwealth, state and territory integrity agencies in attendance. Guest speakers included representatives from the Australian Federal Police, the Australian Criminal Intelligence Commission and Professor AJ Brown of Griffith University.

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 2021–22 arising from ICAC investigations

Table 36: Progress of prosecution matters in 2021–22

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 brackets.

Note the following abbreviated terms:

- “ICAC Act” refers to the *Independent Commission Against Corruption Act 1988* (NSW)
- “Crimes Act” refers to the *Crimes Act 1900* (NSW)
- “EFED Act” refers to the *Election Funding, Expenditure and Disclosures Act 1981*
- 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
Name	Rocco Triulcio
Offences recommended for DPP consideration	Section 87 ICAC Act (false evidence).
DPP advice	On 8 September 2016, the DPP advised sufficient evidence to charge Rocco Triulcio with 18 s 87(1) ICAC Act offences.
Status	For trial set to commence 17 April 2023.

Investigation into the conduct of Ian Macdonald, John Maitland and others (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 a 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 set for 5 September 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 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 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.</p> <p>On 15 June 2021, the appeal against conviction was dismissed.</p> <p>On 10 September 2021, the severity appeal was heard. The aggregate ICO was reduced from 18 months to 15 months.</p> <p>Mr Petch filed a summons seeking judicial review of the decision to dismiss his conviction appeal. On 8 February 2022, the matter was heard by the Court of Appeal. On 11 March 2022, the judgment was delivered. The application was dismissed with costs.</p> <p>The outcome of the prosecution for an offence under s 249K Crimes Act is dealt with in the 2020–21 annual report.</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 6 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 by the Court of Criminal Appeal on 3 May 2021 and dismissed on 2 July 2022.</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), 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 16 December 2021, the DPP advised sufficient evidence to proceed with 99 s 249B Crimes Act offences, one s 351A Crimes Act offence, 17 offences of misconduct in public office, five s 87 ICAC Act offences, and one s 89(a) ICAC Act offence.
Status	For mention.

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 sufficient evidence to charge Mr Saddington with one offence under s 87 ICAC Act.
Status	For hearing 24 September 2022.

Name	Timothy Koelma
Offences recommended for DPP consideration	Section 87 ICAC Act (false evidence).
DPP advice	On 2 November 2020, the DPP advised sufficient evidence to charge Mr Koelma with six offences under s 87 ICAC Act.
Status	For trial in the District Court on 28 November 2022.

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 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 sufficient evidence to prosecute Mr Andjic for two further offences under s 87 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 was withdrawn. On 25 March 2021, Mr Andjic entered pleas of guilty. For sentence 23 September 2022.

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 10 March 2020, the DPP advised sufficient evidence to prosecute Mr Chacra for four offences of accessory to misconduct in public office, and one s 192E Crimes Act offence.
Status	Mr Chacra pleaded guilty to four offences of accessory to misconduct in public office. The s 192E Crimes Act offence was withdrawn. Sentenced on 24 May 2022 to Community Corrections Order for two years for each offence.

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 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 sufficient evidence to prosecute Ms Hammoud for four further offences under s 87 ICAC Act.
Status	On 18 August 2021, an application under s 32 <i>Mental Health (Forensic Provisions) Act 1990</i> was heard and refused. Sentenced to a Community Corrections Order for 18 months and fined \$1,100 for the s 87 ICAC Act offence. Other matters for mention on 29 July 2022.

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 sufficient evidence to prosecute Mr Kabite on 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 sentencing 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 was confirmed of an ICO for a total term of two years and six months with 18 months to be served by way of home detention.</p> <p>On 13 August 2020, Mr Kabite filed a notice of intention to appeal against his sentence. The notice of intention to appeal was extended with an expiry date of 5 May 2021. Under recent changes to the Criminal Appeal Rules, notice of intention to appeal extensions are no longer granted, although defence may still file an application for leave to appeal out of time after the expiry date. The DPP has advised it will update the Commission should that occur.</p>

Investigation into the conduct of a Regional Illegal Dumping Squad officer and others (Operation Scania) (June 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 sufficient evidence to prosecute Mr Mark for six s 192E offences.
Status	<p>On 23 December 2021, following plea negotiations, Mr Mark entered pleas of guilty to four s 192E offences. The matter was listed for sentence on 18 February 2022 and was adjourned to 13 April 2022, as the sentencing assessment report was not available.</p> <p>On 13 April 2022, the matter was adjourned on the offender's application, and was then listed for sentence on 23 May 2022.</p> <p>On 23 May 2022, the matter was adjourned to 18 July 2022 to allow a new sentencing assessment report to be completed.</p>

Name	Aleksa Subeski
Offences recommended for DPP consideration	Offences under s 192E Crimes Act (fraud).
DPP advice	On 15 February 2021, the DPP advised sufficient evidence to prosecute Ms Subeski for 218 s 192E offences.
Status	Court attendance notices to be issued as Ms Subeski died.

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 sufficient evidence to prosecute Mr Gajic with one s 249B(2) offence.
Status	On 18 November 2021, Mr Gajic entered a plea of guilty and the matter was adjourned to 28 January 2022 for sentence. On 28 January 2022, Mr Gajic was convicted and sentenced to a community corrections order for a period of two years and a fine of \$2,000 was imposed.

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 sufficient evidence to prosecute Mr Alexander with one s 192E offence and one s 87 offence.
Status	On 2 December 2021, Mr Alexander pleaded guilty to both offences. On 22 December 2021, he was convicted for the s 192E offence, fined \$1,000 and a community corrections order was imposed for a period of 12 months, on the condition that he is supervised by Community Corrections and is prohibited from offering any services as a contractor to any council in NSW. For the s 87 offence, he was convicted and sentenced to imprisonment for 14 months, with the sentence to be served by way of an ICO, on the condition that he commits no further offences, complies with the supervision of Community Corrections and is prohibited from offering any services as a contractor to any council in NSW.

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 sufficient evidence to prosecute Ms Baccam for 71 s 192E offences. On 2 March 2021, the DPP advised sufficient evidence to prosecute Ms Baccam with an offence under s 87 ICAC Act.
Status	On 17 February 2022, following plea negotiations, Ms Baccam pleaded guilty to three s 192E offences and one s 87 offence. For sentence 19 August 2022.

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 sufficient evidence to prosecute Mr Foo for 105 s 192E offences, 102 s 249B offences and one s 87 offence.
Status	On 18 November 2021, Mr Foo pleaded guilty to one s 87 offence and one s 249B offence. The remaining charges were withdrawn. On 17 February 2022, Mr Foo was convicted and sentenced to 10 months imprisonment, to be served by way of an ICO.

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 14 October 2021, the DPP advised sufficient evidence to prosecute Ms Reynolds for one s 249B(1) offence.
Status	For mention 28 July 2022.

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 14 October 2021, the DPP advised sufficient evidence to prosecute Mr Ghamrawi for one s 249B(1) offence.
Status	For mention 28 July 2022.

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 14 October 2021 the DPP advised insufficient admissible evidence to prosecute.
Status	The Commission has accepted the DPP's 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 28 September 2021, the DPP advised sufficient evidence to prosecute Mr Brown for an offence of misconduct in public office, but subject to requisitions (which were subsequently withdrawn).
Status	Court Attendance Notice served on 11 July 2022.

Name	Anthony Kelly
Offences recommended for DPP consideration	Common law offence of misconduct in public office.
DPP advice	On 28 September 2021, the DPP advised sufficient evidence to prosecute Mr Kelly for an offence of misconduct in public office, but subject to requisitions (which were subsequently withdrawn).
Status	Court Attendance Notice served on 11 July 2022.

Name	Joseph Tripodi
Offences recommended for DPP consideration	Common law offence of misconduct in public office.
DPP advice	On 28 September 2021, the DPP advised sufficient evidence to prosecute Mr Tripodi for an offence of misconduct in public office, but subject to requisitions (which were subsequently withdrawn).
Status	Court Attendance Notice served on 11 July 2022.

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	Brief provided to the DPP on 12 November 2019 but subsequently withdrawn by the Commission on 11 April 2022.
Status	New brief being prepared.

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 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	The Crimes Act offences are for trial on 21 November 2022. The ICAC Act offences are for trial on 20 February 2023.

Investigation into the conduct of NSW Corrective Services officers at Lithgow Correctional Centre (Operation Estrý) (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 21 April 2022, the DPP advised sufficient evidence to prosecute for one s 319 offence and one misconduct in public office.
Status	Listed at the Downing Centre Local Court on 30 June 2022. On that date, brief service orders were made and the matter listed for reply to the brief on 25 August 2022.

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 21 April 2022, DPP advised sufficient evidence to prosecute for one s 59(2) offence, one s 319 offence, and one misconduct in public office.
Status	Listed at the Downing Centre Local Court on 30 June 2022. On that date, brief service orders were made and the matter listed for reply to the brief on 25 August 2022.

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 21 April 2022, DPP advised sufficient evidence to prosecute for one s 319 offence and one misconduct in public office.
Status	The Crimes Act and misconduct in public office offences were listed at the Downing Centre Local Court on 30 June 2022. On that date, brief service orders were made and the matter listed for reply to the brief on 25 August 2022.

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 21 April 2022, DPP advised sufficient evidence to prosecute for an offence of misconduct in public office.
Status	Listed at the Downing Centre Local Court on 30 June 2022. On that date, brief service orders were made and the matter listed for reply to the brief on 25 August 2022.

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 DPP.
Status	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 21 April 2022, DPP advised sufficient evidence to prosecute for one s 59(2) offence, one s 319 offence and one misconduct in public office.
Status	Listed at the Downing Centre Local Court on 30 June 2022. On that date, brief service orders were made and the matter listed for reply to the brief on 25 August 2022.

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	Section 249B (corrupt commissions or rewards), s 192E (fraud) and 192G (making a 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 McCreddie
Offences recommended for DPP consideration	Section 249B, s 192E and s 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	Section 192E and s 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	Section 192E and s 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	Section 249B, s 192E and s 192G Crimes Act, aiding and abetting offences contrary to s 135.1 <i>Criminal Code Act 1995</i> (dishonestly obtaining a gain from the Commonwealth).
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).
DPP advice	On 29 July 2021, brief provided to DPP.
Status	Responding to DPP requisitions issued 30 March 2022.

Name	Pierre Azzi
Offences recommended for DPP consideration	Section 249K (blackmail) Crimes Act and the common law offence of misconduct in public office.
DPP advice	On 29 July 2021, brief provided to DPP.
Status	Responding to DPP requisitions issued 30 March 2022.

Name	Spiro Stavis
Offences recommended for DPP consideration	The common law offence of misconduct in public office.
DPP advice	On 29 July 2021, brief provided to DPP.
Status	Responding to DPP requisitions issued 30 March 2022.

Name	Charbel Demian
Offences recommended for DPP consideration	Section 87 ICAC Act (giving false evidence).
DPP advice	On 16 November 2021, brief provided to DPP.
Status	Responding to DPP requisitions issued 30 March 2022.

Name	Daryl Maguire
Offences recommended for DPP consideration	Section 87 ICAC Act (giving false evidence).
DPP advice	On 16 November 2021, brief provided to DPP.
Status	Responding to DPP requisitions issued 30 March 2022.

Name	Marwan Chanine
Offences recommended for DPP consideration	Section 87 ICAC Act (giving false evidence).
DPP advice	On 16 November 2021, brief provided to DPP.
Status	Responding to DPP requisitions issued 30 March 2022.

Investigation into the conduct of a Services NSW officer (Operation Mistral) (May 2021)

Name	Diana Benyamin
Offences recommended for DPP consideration	Section 249B (corrupt commissions or rewards) and s 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	Section 249B (corrupt commissions or rewards), s 307A (false or misleading application) and s 308H (accessing restricted data) Crimes Act, and s 62(1) and s 6(2) <i>Privacy and Personal Information Protection Act 1998</i> (corrupt disclosure and use of personal information).
Status	Brief of evidence under preparation.

Investigation into the sourcing of software systems for the Western Sydney Institute of TAFE (Operation Lancer) (October 2021)

Name	Hasan Mamun
Offences recommended for DPP consideration	Section 249B Crimes Act (corrupt commissions or rewards), s 253 and s 254 Crimes Act (making and using false document), and s 192G Crimes Act (making and concurring in the making or publication of false or misleading statements with the intention of obtaining a financial advantage).
Status	Brief of evidence under preparation.

Name	Samiul Kabir
Offences recommended for DPP consideration	Section 249B Crimes Act (corrupt commissions or rewards) and s 192G Crimes Act (making and concurring in the making or publication of false or misleading statements with the intention of obtaining a financial advantage).
Status	Brief of evidence under preparation.

Name	Oscillosoft Pty Ltd
Offences recommended for DPP consideration	Section 249B Crimes Act (corrupt commissions or rewards).
Status	Brief of evidence under preparation.

Name	Kazi Hassan
Offences recommended for DPP consideration	Offences of offering to give, and aiding and abetting the giving by Oscillosoft of, corrupt commissions or rewards contrary to s 249B(2) Crimes Act.
Status	Brief of evidence under preparation.

Name	Ashique Ibrahim
Offences recommended for DPP consideration	Offences of offering to give, and aiding and abetting the giving by Oscillosoft of, corrupt commissions or rewards contrary to s 249B(2) Crimes Act.
Status	Brief of evidence under preparation.

Name	Mohammad Suza-Ud-Dawllah
Offences recommended for DPP consideration	Section 249B Crimes Act (corrupt commissions or rewards).
Status	Brief of evidence under preparation.

Name	Monzurul Hoque
Offences recommended for DPP consideration	Section 192G Crimes Act (publishing false or misleading statements with the intention of obtaining a financial advantage).
Status	Brief of evidence under preparation.

Investigation into political donations facilitated by Chinese Friends of Labor in 2015 (Operation Aero) (February 2022)

Name	Ernest Wong
Offences recommended for DPP consideration	Section 96HB EFED Act (entering into a scheme), s 110A(7) EFED Act (providing false or misleading document), s 315 Crimes Act (hindering an investigation), s 319 Crimes Act (attempting to pervert the course of justice), s 87 ICAC Act (false or misleading evidence), s 89 ICAC Act (procuring false testimony), and s 112 ICAC Act (breach of non-publication direction).
Status	Brief of evidence under preparation.

Name	Huang Xiangmo
Offences recommended for DPP consideration	Section 96HB EFED Act (entering into a scheme).
Status	Brief of evidence under preparation.

Name	Jonathan Yee
Offences recommended for DPP consideration	Section 96HB EFED Act (entering into a scheme), s 96H(2) EFED Act (making a false statement), s 110A(7) EFED Act (providing false or misleading document), s 315 Crimes Act (hindering an investigation), s 87 ICAC Act (false or misleading evidence), and s 89 ICAC Act (procuring false testimony).
Status	Brief of evidence under preparation.

Name	Kenrick Chia
Offences recommended for DPP consideration	Section 87 ICAC Act (false or misleading evidence) and s 112 ICAC Act (breach of non-publication direction).
Status	Brief of evidence under preparation.

Name	Valentine Yee
Offences recommended for DPP consideration	Section 96H(2) EFED Act (making a false statement), s 110A(7) EFED Act (providing false or misleading document), s 87 ICAC Act (false or misleading evidence), and s 89 ICAC Act (procuring false testimony).
Status	Brief of evidence under preparation.

Name	May Ho Yee
Offences recommended for DPP consideration	Section 87 ICAC Act (false or misleading evidence) and s 112 ICAC Act (breach of non-publication direction).
Status	Brief of evidence under preparation.

Name	Emperor's Garden Pty Ltd
Offences recommended for DPP consideration	Section 96H(2) EFED Act (making a false statement) and s 110A(7) EFED Act (providing false or misleading document).
Status	Brief of evidence under preparation.

Name	Lei Mo
Offences recommended for DPP consideration	Section 96H(2) EFED Act (making a false statement), s 110A(7) EFED Act (providing false or misleading document) and s 87 ICAC Act (false or misleading evidence).
Status	Brief of evidence under preparation.

Name	Patricia Siu
Offences recommended for DPP consideration	Section 96H(2) EFED Act (making a false statement) and s 110A(7) EFED Act (providing false or misleading document), s 80 ICAC Act (obstruct or hinder the Commission), s 87 ICAC Act (false or misleading evidence) and s 112 ICAC Act (breach of non-publication direction).
Status	Brief of evidence under preparation.

Name	Teresa Tam
Offences recommended for DPP consideration	Section 110A(7) EFED Act (providing false or misleading document), s 87 ICAC Act (false or misleading evidence), and s 112 ICAC Act (breach of non-publication direction).
Status	Brief of evidence under preparation.

Name	Ming Tam
Offences recommended for DPP consideration	Section 87 ICAC Act (false or misleading evidence).
Status	Brief of evidence under preparation.

Name	Wei Shi
Offences recommended for DPP consideration	Section 96H(2) EFED Act (making a false statement), s 110A(7) EFED Act (providing false or misleading document), s 87 ICAC Act (false or misleading evidence), and s 112 ICAC Act (breach of non-publication direction).
Status	Brief of evidence under preparation.

Name	Johnnie Lin
Offences recommended for DPP consideration	Section 96H(2) EFED Act (making a false statement), s 110A(7) EFED Act (providing false or misleading document), and s 87 ICAC Act (false or misleading evidence).
Status	Brief of evidence under preparation.

Name	To Yip
Offences recommended for DPP consideration	Aiding, abetting, counselling or procuring offences under s 96H(2) EFED Act (making a false statement) and s 110A(7) EFED Act (providing false or misleading document), and an offence under s 87 ICAC Act (false or misleading evidence).
Status	Brief of evidence under preparation.

Name	Harbour City Group Pty Ltd
Offences recommended for DPP consideration	Section 96H(2) EFED Act (making a false statement) and s 110A(7) EFED Act (providing false or misleading document).
Status	Brief of evidence under preparation.

Name	Steve Tong
Offences recommended for DPP consideration	Section 110A(7) EFED Act (providing false or misleading document).
Status	Brief of evidence under preparation.

Name	Alex Wood
Offences recommended for DPP consideration	Section 89 ICAC Act (procuring false testimony).
Status	Brief of evidence under preparation.

Name	Maggie Wang
Offences recommended for DPP consideration	Section 87 ICAC Act (false or misleading evidence).
Status	Brief of evidence under preparation.

Investigation into the awarding of contracts by employees of the former NSW Roads and Maritime Services (Operation Ember) (May 2022)

Name	Samer Soliman
Offences recommended for DPP consideration	Section 192E Crimes Act (fraud) and s 249B Crimes Act (corrupt commissions or rewards), misconduct in public office, and s 87 ICAC Act (false or misleading evidence).
Status	Brief of evidence under preparation.

Name	Stephen Thammiah
Offences recommended for DPP consideration	Section 192E Crimes Act (fraud) and s 249B Crimes Act (corrupt commissions or rewards), aiding and abetting misconduct in public office, and s 87 ICAC Act (false or misleading evidence).
Status	Brief of evidence under preparation.

Name	Ali Hamidi
Offences recommended for DPP consideration	Section 192E Crimes Act (fraud) and s 249B Crimes Act (corrupt commissions or rewards), and aiding and abetting misconduct in public office.
Status	Brief of evidence under preparation.

Table 37: Progress of disciplinary matters in 2021–22

The date the investigation report was published is in parentheses.

Investigation into the sourcing of software systems for the Western Sydney Institute of TAFE (Operation Lancer) (October 2021)

Name	Monzurul Hoque
Recommendation	Consideration be given to the taking of disciplinary action with a view to dismissal.
Status	Mr Hoque resigned in October 2021 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.

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	0	0	1	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	0	0	1	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)	3
Application contravenes restraint order (s 110 of the GIPA Act)	0
Total number of invalid applications received	3
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)	1
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	1

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	0
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 \$780,512.

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 2021–22, the Commission's Executive Management Team 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) MAICD
- Bernadette Dubois, Executive Director, Investigation Division. Grad Dip Public Policy and Administration (Charles Sturt University)
- Stephanie Foster, Director, Investigation Services, BSoc, Security and Counter-Terrorism, (Swinburne 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 2021 and 16.6 % in June 2022.

Table 47: Band and gender of senior executives as at 30 June 2022

Band	2019–20		2020–21		2021–22	
	Male	Female	Male	Female	Male	Female
Chief Commissioner	1	0	1	0	1	0
Commissioner	1	1	1	1	1	1
Band 4	0	0	0	0	0	0
Band 3	0	0	0	0	0	0
Band 2	1	0	1	0	1	0
Band 1	3	1	3	1	3	2
Totals	6	2	6	2	6	3
	8		8		9	

Table 48: Remuneration of senior executives

Band level	Range (\$)	Average remuneration	
		2020–21 (\$)	2021–22
Chief Commissioner	\$780,512	\$761,472	\$780,512
Commissioner	\$390,256 (maximum)	\$380,736	\$390,256
Band 4	\$499,251–\$576,700	\$0	\$0
Band 3	\$354,201–\$499,250	\$0	\$0
Band 2	\$281,551–\$354,200	\$317,238	\$325,169
Band 1	\$197,400–\$281,550	\$247,263	\$244,486

Note: Commission executive staff employed at the equivalent of the Senior Executive Bands.

Table 49: Number of female executive staff as at 30 June 2022

Year	Number
2021–22	3
2020–21	2
2019–20	2
2018–19	1
2017–18	1

Appendix 10 – Workforce diversity

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 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.

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
- continued engagement of an Employee Assistance Program (EAP) provider in 2021–22, 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, including actions to address the Commission's responsibilities under the Multicultural Policies and Services Program.

Key workforce and community diversity strategies proposed for 2022–23 in the Commission's diversity and inclusion strategy include:

- leadership workshops to develop an 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 policy
- 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 – \$50,479	0	0	0	0	0	0	0	0	0	0
\$50,479 – \$66,298	0	0	0	0	0	0	0	0	0	0
\$66,298 – \$74,117	1	1	0	1	0	0	1	0	0	0
\$74,117 – \$93,791	18	17	5	13	0	0	5	5	2	1
\$93,791 – \$121,288	30	29	10	20	0	0	9	4	0	0
\$121,288 – \$151,609	51	49	28	23	0	0	12	12	2	0
\$151,609 > (non-SES)	15	14	8	7	0	0	2	0	0	0
\$151,609 > (SES)	9	8	6	3	0	0	1	1	0	0
Total	124	118	57	67	0	0	30	22	4	1

Appendix 11 – Work health and safety

A key objective of the Commission's strategic plan 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 2021–22, and all areas of Commission operations underwent safety risk assessments, resulting in changes to processes and facilities both on site and for remote working arrangements. The Commission's Return to the Office Plan was continually updated during the year to incorporate the latest COVID-19 advice from NSW Health.

These risk assessments and subsequent broad consultation processes resulted in the development of formal protocols regarding core Commission operations, including hearings.

During 2021–22, the Commission implemented the following initiatives:

- provision of special leave to attend COVID-19 vaccination appointments
- 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
- conducting an emergency evacuation exercise.

In 2021–22, 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
- Elizabeth Perez, Corporate Services Division
- Georgina Ross, Legal Division
- Stephen Wood, Corruption Prevention Division.

Table 51: WHS incidents, injuries and claims in 2021–22

Body stress	0
Fall, slip, trip	1
Heat/electricity	nil
Journey	nil
Mental health	1
Other/unspecified	1
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
There were no consultancies greater than \$50,000.
Consultancies less than \$50,000
During the year, the Commission engaged consultants to: <ul style="list-style-type: none"> ● develop a Cloud-based strategy ● enhance its financial reporting ● commence cyber security upgrade projects ● conduct a public forum on 3 June 2022 on pork barrelling, as part of the Commission's corruption prevention function. Total consultancy expenditure during the period was \$140,018.

Appendix 13 – Payment performance indicators

Table 53: Aged analysis at end of each quarter 2021–22

Quarter	Current (ie. within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
All suppliers					
September	2,521,196.62	30,024.25	0.00	0.00	0.00
December	1,396,441.76	24,326.22	0.00	0.00	0.00
March	1,156,352.15	97,069.13	0.00	0.00	0.00
June	2,298,967.75	630,677.58	0.00	0.06	0.00
Small business suppliers*					
September	14,636.87	–	–	–	–
December	50,928.21	–	–	–	–
March	5,801.25	–	–	–	–
June	68,579.92	44,851.30	–	–	–

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	175	220	175	291
Number of accounts paid on time	165	218	173	222
Actual percentage of accounts due for payment	94%	99%	99%	76%
Dollar amount of accounts due for payment	2,551,220.87	1,420,767.98	1,253,421.28	2,929,645.39
Dollar amount of accounts paid on time	2,521,196.62	1,396,441.76	1,156,352.15	2,298,967.75
Actual percentage of accounts paid on time (based on \$)	99%	98%	92%	78%
Number of payments for interest on overdue accounts	–	–	–	–
Interest paid on overdue accounts	–	–	–	–
Small business suppliers				
Number of accounts due for payment	2	6	1	8
Number of accounts paid on time	2	6	1	5
Actual percentage of accounts due for payment	100%	100%	100%	63%
Dollar amount of accounts due for payment	14,636.87	50,928.21	5,801.25	113,431.22
Dollar amount of accounts paid on time	14,636.87	50,928.21	5,801.25	68,579.92
Actual percentage of accounts paid on time (based on \$)	100%	100%	100%	60%
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

There were no major works in progress during the reporting period.

Index

A

Acacia (Operation), 111–112
 access to information, 47, 52, 55
 accountability *See* compliance and accountability
 administration *See* Corporate Services Division
 Administrative Appeals Tribunal (Cth), 48
 Aero (Operation), 14, 57–58, 124–127
 AGSVA *See* Australian Government Security Vetting Agency (AGSVA)
 aims and functions, 9, 12 *See also* mission; objectives (*Strategic Plan 2017-2021*)
 alliances, strategic, 12, 109–110
 annual report
 2019-20, 50
 2020-21, 51, 58, 113
 anonymous complaints, 20–21
 ‘The allegations didn’t stack up,’ 20
 anti-corruption *See* Corruption Prevention Division
 ANZSOG *See* Australian New Zealand School of Government (ANZSOG)
 Application Architecture Strategy and Roadmap, 67
 Applications Services Group, 62, 67
 Application Architecture Strategy and Roadmap, 67
 APSACC *See* Australian Public Sector Anti-Corruption Conference (APSACC)
 ARC *See* Audit and Risk Committee (ARC)
 Artek (Operation), 118
 Assessment Panel, 18, 26, 28, 29, 34, 35, 54
 decisions 2021-22, 28, 29, 30
 Assessments Section, 9, 10, 13, 17–30, 34, 136
 assessment process, 26–29
 case studies *See* complaints (case studies)
 COVID-19, impact of, 20
 matters received, profile of, 18–20
 performance 2021-22, 18
 PIDs *See* public interest disclosures (PIDs)
 public complaints, 21–23
 Strategic Plan 2017-2021, 12
 turnaround targets, 18
 assets, 16 *See also* financial statements
 Assistant Commissioners, 10, 61
 Attorney General *See* NSW Attorney General
 Audit and Risk Committee (ARC), 47, 61, 63, 64–66
 Internal Audit and Risk Management Attestation Statement, 65
 Audit Office of NSW, 37
 Auditor-General *See* NSW Auditor-General
 auditor’s report, 72–74
 Australian Accounting Standards, 53, 71, 72, 73, 74
 Australian Border Force, 37, 106
 Australian Commission for Law Enforcement Integrity, 4, 45, 110
 Australian Competition and Consumer Commission, 37, 106, 109
 Australian Criminal Intelligence Commission, 110
 Australian Federal Police, 37, 106, 110
 Australian Government Security Vetting Agency (AGSVA), 63
 Australian Graduate School of Management (UNSW), 42
 Australian New Zealand School of Government (ANZSOG), 45
 Australian Public Sector Anti-Corruption Conference, 45
 Australian Public Sector Anti-Corruption Conference (APSACC), 4, 45

Australian Securities and Investments Commission, 37, 106
 Australian Taxation Office, 37, 79, 106, 110
 Avon/Mezzo (Operation), 45, 109

B

BPM *See* Business Process Management (BPM)
 Business Process Management (BPM), 38

C

Cavill (Operation), 112–113
 CCG *See* Commission Consultative Group (CCG)
 CEO *See* Chief Executive Officer (CEO)
 Chief Commissioner (Hall), 9, 10, 21, 23, 26, 41, 47, 48, 49, 51, 54, 61, 100, 132
 Chief Commissioner (Hatzistergos)
 foreword, 4–5
 transmission letter, 3
 Chief Executive Officer (CEO), 9, 10, 26, 47, 48, 49, 53, 64, 68, 71, 72, 73, 74, 132, 138
 CLE *See* Continuing Legal Education (CLE)
 Commission Budget Policy, 61
 Commission Consultative Group (CCG), 47, 61, 64
 Commissioners, 10, 21, 26, 47, 49
 Assistant Commissioners, 10, 61
 Hall, Peter *See* Chief Commissioner (Hall)
 Hatzistergos, John *See* Chief Commissioner (Hatzistergos)
 Lakatos, Paul (incoming), 4, 5
 McDonald, Patricia, 5, 9, 10, 100, 132
 Murrell, Helen (incoming), 4, 5
 part-time Commissioners, 4, 10, 61, 100
 remuneration, 61, 62, 132
 Rushton, Stephen, 5, 9, 10, 100, 132
 Commonwealth Ombudsman, 15, 47, 53, 110
 Communications and Media Section, 9, 11
 complaints, 4, 10, 12, 18, 19, 26, 28, 41, 55, 106, 130
 anonymous complaints, 20–21
 case studies *See* complaints (case studies)
 Commission officers, against, 54
 complaints profile, 102–104
 outcomes of matters, 37, 107
 PIDs *See* public interest disclosures (PIDs)
 public authorities and ministers *See* reports from public authorities and ministers
 public complaints, 21–23
 complaints (case studies)
 ‘Details matter,’ 28
 ‘Hire-a-friend,’ 22
 ‘If you hadn’t resigned, you’d have been fired...,’ 23, 24
 ‘The allegations didn’t stack up,’ 20
 compliance and accountability, 12, 14, 47–59, 64, 65
 access to information, 47, 52, 55
 Commission officers, complaints against, 54
 Compliance and Policy Monitoring Register, 61
 compliance framework, 47–48
 external governance *See* external governance
 internal governance *See* internal governance
 litigation, 54
 principal legal changes, 53

- privacy and personal information, 20, 47, 51, 55, 61
- prosecution/disciplinary action, 59, 111–127
- public inquiries *See* public inquiries
- public reports *See* publications
- Strategic Plan 2017-2021*, 12
- Witness Cooperation Policy, 50, 53, 57–58
- Compliance and Policy Monitoring Register, 61
- compulsory examinations, 10, 11, 13, 32, 36–37, 55, 57, 106
 - COVID-19, impact of, 63
 - snapshot, 6
- conditions of employment, 62
- Conflicts of Interest Policy, 61
- Constitution (Disclosures by Members) Regulation 1983, 56
- consultants, engagement and use of, 137
- Continuing Legal Education (CLE), 62
- Corporate Business Plan 2021-22, 38
- Corporate Services Division, 9, 11, 14, 60–68, 136
 - Audit and Risk Committee (ARC), 47, 61, 63, 64–66
 - Commission Budget Policy, 61
 - Commission Consultative Group (CCG), 47, 61, 64
 - Commission's Employee Self Service (ESS), 63
 - Compliance and Policy Monitoring Register, 61
 - conditions of employment, 62
 - Conflicts of Interest Policy, 61
 - consultants, engagement and use of, 137
 - COVID-19, impact of, 63
 - credit card certification, 138
 - Crisis Management Plan, 63
 - Employee Assistance Program (EAP), 134
 - Employee Self Service (ESS) system, 63
 - finance *See* Finance Section
 - human resources, 61–63
 - ICAC Award, 61, 62, 64
 - industrial relations, 61
 - information management *See* information management and technology
 - insurance activities, 66
 - Intellectual Property Management Policy, 61
 - internal committees, 64–66
 - learning and development *See* training (staff)
 - major works, 138
 - Media Policy, 61
 - Modern day slavery statement, 67
 - overseas travel, 138
 - performance indicators, payment of, 137–138
 - policies and procedures, 61
 - Privacy Management Plan, 55, 61
 - Procurement Policy, 67
 - Records Management Policy, 61
 - Reporting of Public Interests Disclosures by Commission Officers, 61
 - risk management *See* risk management
 - salaries and allowances, 62
 - security vetting, 63
 - Social Media Policy, 61
 - staff numbers, 61
 - staff performance management, 62–63
 - Strategic Plan 2017-2021*, 12
 - training *See* training (staff)
 - work health and safety *See* work health and safety (WHS)
 - Work Health and Safety (WHS) Committee, 47, 61, 64
 - workforce diversity, 134–135
- Corrective Services NSW, 109, 120
- corrupt conduct, 4, 5, 9, 10, 12, 18, 21, 22–23, 24, 33, 36, 37, 39, 41, 42, 43, 45, 47, 50, 51, 54, 56, 57, 104, 105
 - assessment process, 26–29
 - findings and recommendations, 59
 - investigation *See* Investigation Division
 - prevention *See* Corruption Prevention Division
 - snapshot, 6
- Corruption Matters* (e-newsletter), 7, 59
- Corruption Prevention Division, 9, 10–11, 26, 28, 34, 40–45, 61, 64, 132, 136
 - advice, provision of, 6, 12, 41, 42
 - corruption prevention recommendations, adoption of, 108–109
 - COVID-19, impact of, 4, 42, 43, 45
 - Dealing with incumbent providers in procurement*, 41, 58
 - education *See* Corruption Prevention Division (educ/training)
 - exposing corruption, 12, 13, 49
 - Factfinder: A guide to conducting internal investigations*, 41, 59
 - Investigation into political donations facilitated by Chinese Friends of Labor in 2015*, 43, 57, 58, 124–127
 - Investigation into the awarding of contracts by employees of the former NSW Roads and Maritime Services (RMS)*, 42, 58, 127
 - Investigation into the sourcing of software systems for the Western Sydney Institute of TAFE*, 45, 58, 123, 124, 127
 - Obtaining independent advice: dos and don'ts, 41, 59
 - pork barrelling forum, 41–42
 - preventing corruption, 4, 12, 13, 14, 25, 29, 33, 37, 40–45, 47, 49, 54, 55, 56, 66, 108
 - Probity in procurement: tips from a professional*, 41, 58
 - projects, 41–42
 - publications *See* publications
 - strategic alliances, 12, 109–110
 - Strategic Plan 2017-2021*, 12, 13
 - training *See* Corruption Prevention Division (educ/training)
- Corruption Prevention Division (educ/training), 6, 9, 12, 41, 42–44
- Australian New Zealand School of Government (ANZSOG), 45
- Australian Public Sector Anti-Corruption Conference, 45
- COVID-19, impact of, 4, 42, 43, 45
- speaking engagements/presentations, 4, 6, 41, 44–45
- workshops, 6, 42–43, 44, 45, 134
- Corruption Prevention Network (CPN), 44
- Corruption Prevention Policy Framework, 49
- COVID-19, 4
 - Assessments Section, 20
 - compulsory examinations, 63
 - Corporate Services Division, 63
 - Corruption Prevention Division, 4, 42, 43, 45
 - ICAC Office, closure of, 20
 - Investigation Division, 4, 32, 33, 38
 - National Investigations Symposium, postponement of, 38
 - public inquiries, 56, 63
 - Return to the Office Plan, 135
 - risk management, 63
 - rural and regional outreach, 45
 - training, restrictions on, 4, 42, 43, 45
 - work health and safety, 135, 136
- CPN *See* Corruption Prevention Network (CPN)
- credit card certification, 138
- Credo (Operation), 118–119

Criminal Assets Recovery Act 1990 (NSW), 37
 Crisis Management Plan, 63
 cyber security *See* information management and technology
 Cygnet (Operation), 109, 122

D

Dasha (Operation), 45, 108, 122
 DBI *See* Digital Business Improvement (DBI)
Dealing with incumbent providers in procurement, 41, 58
 Department of Communities and Justice, 109
 Department of Foreign Affairs and Trade (DFAT), 52
 Department of Home Affairs, 110
 Department of Planning, Industry and Environment, 108, 109
 Department of Planning and Environment, 20
 DFAT *See* Department of Foreign Affairs and Trade (DFAT)
 Digital Business Improvement (DBI), 37
 Director of Public Prosecutions (DPP), 4, 6, 11, 12, 37, 49, 58, 59, 111–127
 DPP *See* Director of Public Prosecutions (DPP)

E

EAP *See* Employee Assistance Program (EAP)
 Eclipse (Operation), 45
 education *See* training
Electoral Funding Act 2018, 32
 Ember (Operation), 13, 58, 127
 EMG *See* Executive Management Group (EMG)
 Employee Assistance Program (EAP), 134
 Employee Self Service (ESS) system, 63
 ESS *See* Employee Self Service (ESS) system
 Estry (Operation), 109, 120–121
 Ethics Centre, 42
 Executive Management Group (EMG), 12, 47, 48–49, 61, 64
 executive officers, 132–133
 remuneration, 62, 133
 Executive Support Section, 9, 10, 61, 136
 expenses, 16 *See also* financial statements
 external governance, 49–53
 Commonwealth Ombudsman, 15, 47, 53, 110
 Inspector of the ICAC, 5, 12, 14, 47, 49, 51–53, 54
 Inspector of the Law Enforcement Conduct Commission, 47, 53
 NSW Auditor-General, 43, 47, 53, 64, 72, 73
 Parliamentary Committee on the ICAC, 4, 5, 14, 47, 49–51

F

Factfinder: A guide to conducting internal investigations, 41, 59
 Finance Section, 64–68
 review, 64
 financial overview, 16
 financial statements, 70–100
 functions *See* aims and functions
 funding and resourcing, 4, 50, 64
 Furness, Gail, 5, 51

G

Galley (Operation), 37, 56–57
 Gerda (Operation), 108, 109, 121
 GIPA Act *See* *Government Information (Public Access) Act 2009*
Government Information (Public Access) Act 2009, 54, 55, 128–131
 ICAC obligations under, 128–131
Government Information (Public Access) Regulation 2018, 129
Government Sector Audit Act 1983, 53
Government Sector Finance Act 2018, 53, 71, 72, 73, 74, 79
Government Sector Finance Regulation 2018, 71, 72, 73, 74
 Griffith University, 42, 110
 GSF Act *See* *Government Sector Finance Act 2018*

H

Hall, Peter *See* Chief Commissioner (Hall)
 Hatzistergos, John *See* Chief Commissioner (Hatzistergos)
Health Records and Information Privacy Act 2002, 55

I

ICAC Act *See* *Independent Commission Against Corruption Act 1988*
 ICAC and *LECC Legislation and Amendment Act 2022*, 53
 ICAC Award, 61, 62, 64
 ICAC Learning Hub, 62
 IMG *See* Investigation Management Group (IMG)
 income, 16 *See also* financial statements
 Independent Broad-based Anti-Corruption Commission, 37, 106
Independent Commission Against Corruption Act 1988, 5, 9, 10, 20, 21, 29, 32, 33, 36, 47, 48, 49, 51, 53, 55, 57, 58, 61, 79, 100, 111
 amendments to, 53
 Part 8A, 53
 s 10, 18, 19, 21, 22, 23
 s 11, 18, 23, 24, 25, 26, 29, 48, 49, 56
 s 12A, 26
 s 13A, 32
 s 20, 33
 s 20(5), 47
 s 31B, 48
 s 47, 80
 s 47 Div 4A, 96
 s 50, 53
 s 53, 10, 28, 29
 s 54, 10, 28, 29
 s 57B, 51, 52
 s 57B(4), 52
 s 64, 49
 s 74, 36, 51
 s 74A(2), 51
 s 76, 55
 s 76(2), 106
 s 76(2)(ba)(i), 107
 s 76(2)(ba)(iii), 107
 s 76(2)(ba)(vi), 58
 s 76(2)(d), 106

- s 80, 113, 120, 125
- s 80 (c), 113
- s 87, 111, 112, 113, 114, 115, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127
- s 87(1), 111
- s 88(2)(a), 114
- s 89, 119, 124, 125, 126
- s 89(a), 114
- s 92, 119
- s 111(4), 54
- s 111E(2), 108
- s 112, 124, 125, 126
- s 112(2), 111
- Independent Commission Against Corruption Amendment Bill 2015, 54
- Independent Commission Against Corruption Amendment (Validation) Act 2015*, 54
- Indus (Operation), 111
- industrial relations, 61
- Information for Witnesses* (brochure), 51, 57
- information management and technology, 62, 66–67
 - applications services *See* Applications Services Group
 - Cyber Security Annual Attestation Statement, 68
 - cyber security projects, 67
 - Cyber Security Uplift project, 68
 - information security *See* information security
 - information technology upgrades, 66
 - IT Cloud Strategy, 66
 - new projects, 67
 - NSW Government Digital Restart program, 66
 - NSW Government's Cyber Security Policy, 66
- information security, 66, 67, 137
 - Cyber Security Annual Attestation Statement, 68
 - NSW Government's Cyber Security Policy, 66
- Inspector of the ICAC, 5, 12, 14, 47, 49, 51–53, 54
 - Report concerning circumstances surrounding the Independent Commission Against Corruption's use of certain telephone intercept material during Operation Keppel*, 52
 - Special report by the Inspector of the Independent Commission Against Corruption pursuant to section 77A of the Independent Commission Against Corruption Act 1988 regarding the Decision to Hold a Further Public Inquiry in Operation Keppel*, 52–53
- Inspector of the Law Enforcement Conduct Commission, 47, 53
- Institute of Public Administration Australia NSW Division, 38
- Intellectual Property Management Policy, 61
- Inter-agency Technical Group, 110
- Interception Consultative Committee, 110
- internal governance, 48–49
 - Corruption Prevention Policy Framework, 49
 - Executive Management Group (EMG), 12, 47, 48–49, 61, 64
 - Investigation Management Group (IMG), 29, 47, 49
 - Investigation Policy Framework, 49
 - legal review, 48
 - Operations Manual, 49, 50
 - Prevention Management Group (PMG), 47, 49, 64
 - Senior Leadership Forum (SLF), 47, 49, 61, 63, 64
- Investigation Division, 4, 5, 9, 10, 26, 29, 31–39, 132, 136
 - Business Process Management (BPM), 38
 - compulsory examinations *See* compulsory examinations
 - COVID-19, impact of, 4, 32, 33, 38
 - Digital Business Improvement (DBI), 37

- digital forensic capability, 37
- digital transformation strategy, 38
- investigation outcomes, 37, 107
- issues impacting investigations, 32–33
- KPIs, 34–35
- learning/professional development, 38
- National Anti-Corruption Investigation Network (NACIN), 33, 38–39, 110
- National Intelligence Network (NIN), 33, 38, 110
- National Investigations Symposium (NIS), 38
- Operations *See* Operations
- preliminary investigations, 7, 13, 32–33, 34, 35
- proceeds of crime, 37
- public inquiries *See* public inquiries
- publications *See* publications
- referrals/disseminations, 37
- reports to Parliament, 6
- SIRU *See* Strategic Intelligence and Research Unit (SIRU)
- statutory powers, use of, 36
- strategic alliances, 12, 109–110
- Strategic Capability Committee (SCC), 38
- Strategic Plan 2017–2021, 12
- Strategic Workforce Framework, 38
- Investigation into political donations facilitated by Chinese Friends of Labor in 2015*, 43, 57, 58, 124–127
- Investigation into the sourcing of software systems for the Western Sydney Institute of TAFE*, 45, 58, 123, 124, 127
- Investigation Management Group (IMG), 29, 47, 49
- Investigation Policy Framework, 49

J

- Joint Agency Telecommunication Interception System, 109

K

- Keppel (Operation), 13, 37, 50, 52–53, 56, 61

L

- Lakatos, Paul (incoming Commissioner), 4, 5
- Lancer (Operation), 45, 58, 108, 123–124, 127
- Law Enforcement and National Security (Assumed Identities) Act 2010*, 47, 48
- Law Enforcement Conduct Commission (LECC), 4, 45, 47, 53, 109
 - Inspector *See* Inspector of the Law Enforcement Conduct Commission
 - Law Enforcement (Controlled Operations) Act 1997*, 47
 - Law Enforcement (Powers and Responsibilities) Act 2002*, 109
- Leadership Development Program, 38
- Leadership Development Program (NSW Dept of Premier and Cabinet), 38
- LECC *See* Law Enforcement Conduct Commission (LECC)
- LECC Inspector *See* Inspector of the Law Enforcement Conduct Commission
- Legal Division, 9, 11, 26, 136 *See also* compliance and accountability
- liabilities, 16 *See also* financial statements
- Lobbying of Government Officials Act 2011*, 32

M

major works, 138
 McClintock, Bruce (Inspector), 5, 51
 McDonald, Patricia (Commissioner), 5, 9, 10, 100, 132
 Media Policy, 61
 members of Parliament, 5, 54
 Mezzo (Operation), 109
 Ministerial Code of Conduct, 56, 130
 ministers, reports from *See* reports from public authorities and ministers
 mission, 9
 Mistral (Operation), 45, 108, 123
 Modern day slavery statement, 67
Modern Slavery Act 2018, 67
 Murrell, Helen (incoming Commissioner), 4, 5

N

NACIN *See* National Anti-Corruption Investigation Network (NACIN)
 National Anti-Corruption Investigation Network (NACIN), 33, 38–39, 110
 National Intelligence Network (NIN), 33, 38, 110
 National Investigations Symposium (NIS), 38
 postponement of, 38
 NCAT *See* NSW Civil and Administrative Tribunal (NCAT)
 net equity, 16 *See also* financial statements
 NIN *See* National Intelligence Network (NIN)
 NIS *See* National Investigations Symposium (NIS)
 NSW Attorney General, 47, 48, 51, 57, 132
 NSW Auditor-General, 43, 47, 53, 64, 72, 73, 74
 NSW Civil and Administrative Tribunal (NCAT), 54, 131
 NSW Court of Appeal, 42
 NSW Crime Commission, 37, 106, 109
 NSW Department of Premier and Cabinet's Leadership Development Program, 38
 NSW Electoral Commission (NSWEC), 12, 32, 43
 NSW Government, 4, 108, 109
 NSW Government Digital Restart program, 66
 NSW Government's Cyber Security Policy, 66
 NSW Health, 135
 NSW Labor Party/Country Labor, 43, 57, 58, 124–127
 NSW Ombudsman, 28, 38
 NSW Police Force, 19, 21, 37, 63, 100, 106, 109
 NSW Procurement, 67
 NSW Roads and Maritime Services (RMS), 42, 56
 NSW Supreme Court, 47, 48, 54, 132
 NSW Treasury, 47, 64, 138
 Treasury Managed Fund (TMF), 66
 NSWEC *See* NSW Electoral Commission (NSWEC)

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
Obtaining independent advice: dos and don'ts, 41, 59

Operations, 7, 29, 32, 33, 34, 36, 47, 48, 51, 53, 55, 63
 Acacia, 111–112
 Aero, 14, 57–58, 124–127
 Artek, 118
 Avon/Mezzo, 45, 109
 Cavill, 112–113
 Credo, 118–119
 Cygnet, 109, 122
 Dasha, 45, 108, 122
 Eclipse, 45
 Ember, 13, 58, 127
 Estry, 109, 120–121
 Galley, 37, 56–57
 Gerda, 108, 109, 121
 Indus, 111
 Keppel, 13, 37, 50, 52–53, 56, 61
 Lancer, 45, 58, 108, 123–124, 127
 Mistral, 45, 108, 123
 Paragon, 37, 56
 Scania, 115–118
 Sonet, 113
 Spicer, 114
 Tarlo, 109, 119
 Tolosa, 37, 56
 Tunic, 114
 Witney, 13, 37, 56
 Yancey, 115
 Yarrow, 119
 Operations Manual, 49, 50
 Work Instruction, 50, 51
 organisational chart, 9
 our organisation *See* Corporate Services Division
 overseas travel, 138
 overview of report, 8–16

P

Paragon (Operation), 37, 56
 Parliament Code of Conduct for Members, 56
 Parliamentary Committee on the ICAC, 4, 5, 14, 47, 49–51
 part-time Commissioners, 4, 10, 61, 100
 PID Act *See* Public Interest Disclosures Act 1994
 PIDs *See* public interest disclosures (PIDs)
 PMG *See* Prevention Management Group (PMG)
 pork barrelling forum, 41–42
 PPIP ACT *See* Privacy and Personal Information Protection Act 1998
 Prevention Management Group (PMG), 47, 49, 64
Privacy and Personal Information Protection Act 1998, 55, 123
 Privacy Management Plan, 55, 61
Probity in procurement: tips from a professional, 41, 58
 procurement
 Dealing with incumbent providers in procurement, 41, 58
 Probity in procurement: tips from a professional, 41, 58
 Procurement Policy, 67
 Property NSW, 67
 PSA *See* Public Service Association (PSA) of NSW
 public authorities, reports from *See* reports from public authorities and ministers
 public inquiries, 4, 10, 11, 13, 14, 32, 36–37, 49, 55, 56–57, 58, 106 *See also* Operations
 COVID-19, impact of, 56, 63

live streaming, 4, 48, 56
 snapshot, 6
Public Interest Disclosures Act 1994, 20, 21, 23, 24, 53
 public interest disclosures (PIDs), 21, 22, 23–24, 25, 105
 ‘Hire-a-friend,’ 22
 Public Service Association (PSA) of NSW, 62
 publications, 11, 34, 41, 48, 49, 51–56, 58–59
Annual Report 2020-2021, 58
Corruption Matters (e-newsletter), 7, 59
Dealing with incumbent providers in procurement, 41, 58
Factfinder: A guide to conducting internal investigations, 41, 59
Information for Witnesses, 51, 57
Investigation into political donations facilitated by Chinese Friends of Labor in 2015, 43, 57, 58, 124–127
 investigation reports, 58
Obtaining independent advice: dos and don'ts, 41, 59
Probity in procurement: tips from a professional, 41, 58

Q

Queensland Police Service, 37, 106

R

Records Management Policy, 61
 Reed, Philip *See* Chief Executive Officer (CEO)
 Reporting of Public Interests Disclosures by Commission Officers, 61
 reports from public authorities and ministers, 24–26, 27
 complaints profile, 102–104
 ‘Details matter,’ 28
 ‘If you hadn't resigned, you'd have been fired...,’ 23, 24
 Return to the Office Plan, 135
 revenue, 16 *See also* financial statements
 risk management, 11, 48, 62, 63, 64, 65
 hazard and injury reports, 63
 RMS *See* NSW Roads and Maritime Services (RMS)
 Rushton, Stephen (Commissioner), 5, 9, 10, 100, 132

S

salaries and allowances, 62
 Scania (Operation), 115–118
 SCC *See* Strategic Capability Committee (SCC)
 Sednode User Group, 110
 Senior Leadership Forum (SLF), 47, 49, 61, 63, 64
 Service NSW, 108
 SIRU *See* Strategic Intelligence and Research Unit (SIRU)
 SLF *See* Senior Leadership Forum (SLF)
 snapshot 2021-22, 6–7
 social media, 4, 11, 12, 19, 48
 Twitter account, 4, 48
 YouTube channel, 4, 7, 42, 48
 Social Media Policy, 61
 Sonet (Operation), 113
 SOORT *See* Statutory and Other Offices Remuneration Tribunal (SOORT)
 Special Networks Committee, 110
 Spicer (Operation), 114
 Statutory and Other Offices Remuneration Tribunal (SOORT), 62

statutory powers, 11, 36, 47, 48, 49
 statutory reporting, 106–107
 strategic alliances, 12, 109–110
 Strategic Capability Committee (SCC), 38
 Strategic Intelligence and Research Unit (SIRU), 7, 9, 10, 32, 33–34, 38, 110 *See also* National Anti-Corruption Investigation Network (NACIN)
 broader work of Commission, support for, 34
 capability enhancement, 33–34
 National Intelligence Network (NIN), 33, 38, 110
 results, 33
 significant issues, 32–33
Strategic Plan 2017-2021, 12, 13, 14, 33, 134, 135
 objectives *See* objectives (*Strategic Plan 2017-2021*)
Surveillance Devices Act 2007, 47

T

TAFE NSW, 45, 58, 108, 113, 123–124
 Tarlo (Operation), 109, 119
Telecommunications (Interception and Access) Act 1979 (Cth), 36, 47, 52
 telecommunications interception and access alliances, 110
 TMF *See* Treasury Managed Fund (TMF)
 Tolosa (Operation), 37, 56
 training, 4
 COVID-19, impact of, 4, 42, 43, 45
 members of Parliament, 5
 staff *See* training (staff)
 training (staff), 7
 Continuing Legal Education (CLE), 62
 ICAC Learning Hub, 62
 Leadership Development Program, 38
 learning and development, 61–62
 Women and Leadership Australia, 38
 workshops, 62
 Transport for NSW, 37, 42
 Treasury Managed Fund (TMF), 66
 Tunic (Operation), 114
 Twitter account (ICAC), 4, 48

U

University of Sydney, 42, 108, 109 *See also* Gerda (Operation)

W

WA Corruption and Crime Commission, 37, 106, 110
 website (ICAC), 4, 7, 11, 14, 19, 20, 24, 42, 43, 45, 48, 50, 51, 55, 56, 57, 59
 WHS *See* work health and safety (WHS)
 Witness Cooperation Policy, 50, 53, 57–58
 Witney (Operation), 13, 37, 56
 Women and Leadership Australia, 38
 work health and safety (WHS), 62, 135–136
 COVID-19, impact of, 135, 136
 Return to the Office Plan, 135
 Work Health and Safety (WHS) Committee, 47, 61, 64, 136
 workforce diversity, 134–135

Y

Yancey (Operation), 115

Yarrow (Operation), 119

YouTube channel (ICAC), 4, 7, 42, 48



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