

Wednesday 16 January 2019

Investigation into the conduct of a Department of Finance, Services and Innovation ICT project manager

ICAC FINDINGS

The ICAC makes serious corrupt conduct findings against Steven Prestage, including that in 2016 he improperly exercised his official functions to benefit himself by falsely representing to the Department of Finance, Services and Innovation (DFSI) that Petite Software Systems Pty Ltd was the supplier of information and communication technologies (ICT) contractors to the Clarity Project, and using the name of Petite Software Systems in his communications with DFSI as part of a scheme to secure payment to himself for the work carried out by ICT contractors. Mr Prestage also engaged in serious corrupt conduct by issuing invoices to DFSI, charging \$2,000 per day for each “Petite” contractor, knowing it was an inflated rate to that which a government-approved supplier would have charged being about \$900 per day, and thereby causing a financial disadvantage to DFSI. The full list of findings is available in the summary chapter of the report.

ICAC RECOMMENDATIONS

The ICAC is of the opinion that the advice of the Director of Public Prosecutions should be obtained with respect to the prosecution of Mr Prestage for the following offences:

- publishing false statements with an intention to obtain a financial advantage contrary to section 192G of the *Crimes Act 1900*
- wilfully preventing or wilfully endeavouring to prevent a witness from attending the Commission, contrary to section 92 of the *Independent Commission Against Corruption Act 1988*
- procuring the giving of false testimony at a compulsory examination, contrary to section 89 of the ICAC Act
- giving false or misleading evidence to the Commission, contrary to section 87 of the ICAC Act.

CORRUPTION PREVENTION

The ICAC has made 15 corruption recommendations to DFSI, including that DFSI develops a framework to ensure that the employment screening checks conducted on contractors are commensurate with the level of risk posed by their respective engagements, and that DFSI provides guidance to its staff who hold a financial delegation about red flags on quotations that indicate that a supplier may not be genuine. The full list of corruption prevention recommendations is available in the summary chapter of the report.

BACKGROUND

On 20 February 2017, the DFSI secretary made a report to the ICAC pursuant to section 11 of the ICAC Act, which imposes a duty on the principal officer of a public authority to report any possible corrupt conduct to the Commission. The report stated that it had been brought to the secretary’s attention that Mr Prestage may have misused his position as a DFSI contractor in his dealings with a supplier, Petite Software Systems, including that he may have had a conflict of interest that was not disclosed when recommending Petite Software Systems for a substantial project, among other concerns.

The Commission determined it was in the public interest to investigate the matter to establish whether corrupt conduct had occurred, the identity of those involved, and whether there were any corruption prevention issues that needed to be addressed by DFSI. The investigation report is available from the ICAC website.

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