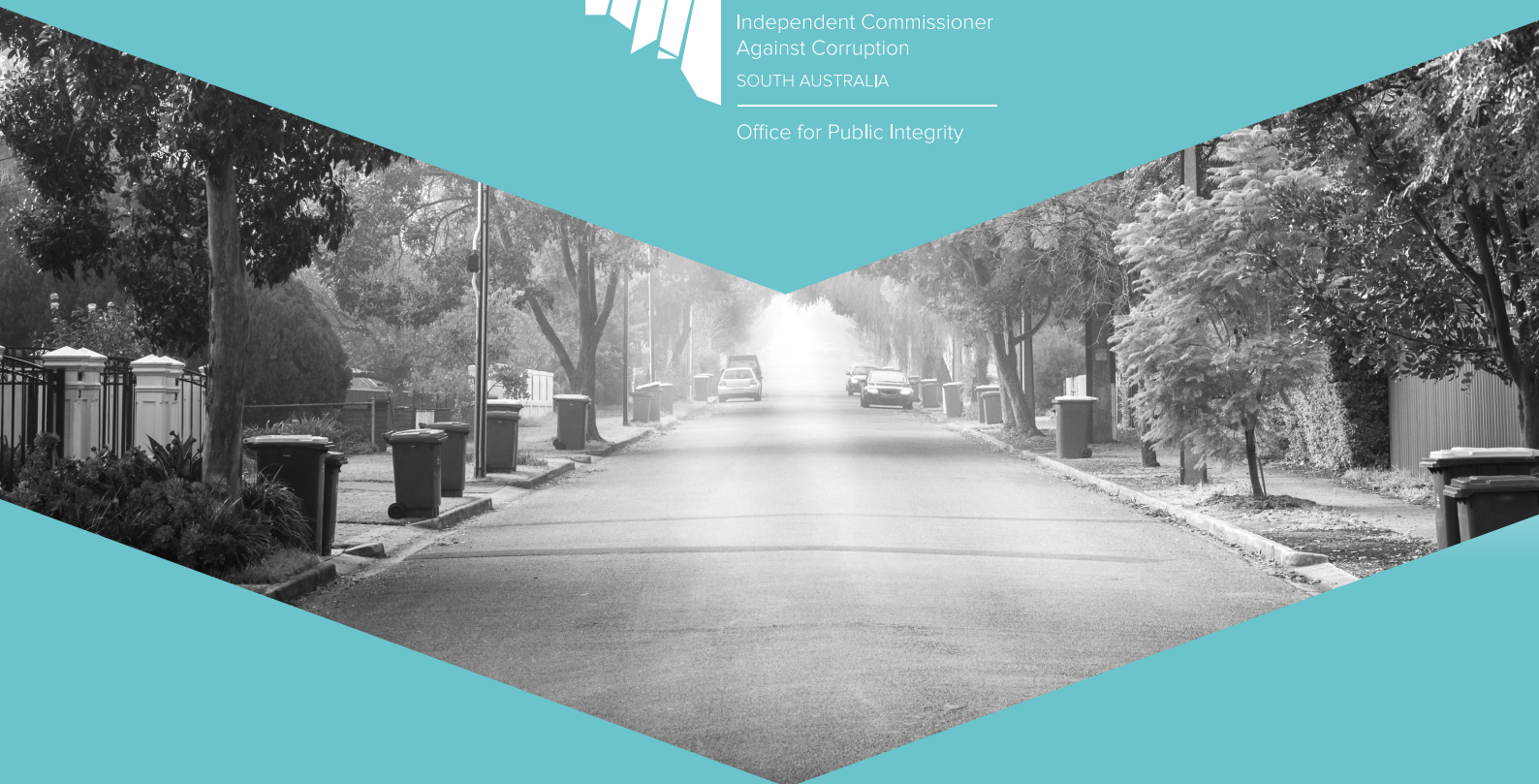




ICAC•OPI

Independent Commissioner
Against Corruption
SOUTH AUSTRALIA

Office for Public Integrity



LOCAL GOVERNMENT INTEGRITY INSIGHTS

A THIRD REPORT FROM THE
PUBLIC INTEGRITY SURVEY 2018



Local Government Integrity Insights:

A third report from the Public
Integrity Survey 2018

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Commissioner's foreword

This report focusses on local government data gathered in my Public Integrity Survey 2018.

The survey results reflect the responses from public officers in Councils across South Australia. It is not possible to offer specific findings in respect of individual Councils. However, it would be prudent for Councils to enquire, through consultation with members and staff, as to whether the findings in this survey reflect local views.

Survey responses from local government participants were often more favourable than responses from the sample as a whole.

Awareness of my office and the Office for Public Integrity (OPI) was higher than the whole sample but awareness of reporting obligations was similar. Perceived incidences of bullying and harassment and nepotism and favouritism were less than reported in the whole sample. However, at 40% and 35% respectively, perceptions of having encountered such conduct remains high and is worthy of investigation and appropriate action by Councils.

Local government participants expressed considerable dissatisfaction with internal reporting processes. There was a common theme surrounding the inadequacy of protections offered to those who wanted to make a report, together with fear and anxiety about doing so.

As I have said publicly on many occasions there should be no risk to those who speak up about perceived corruption and inappropriate conduct. Public officers who are willing to speak up should be applauded and not be the subject of adverse discrimination. Those who speak up offer an opportunity for an agency to address and correct poor behaviour and to remedy inadequate processes and practices. The challenge for Councils and their leadership is to ensure their organisations have a culture where staff feel safe and secure enough in raising such matters.

I recommend all elected members and executives within local government read this report and consider how the results of the survey might act as a catalyst for improvements in organisational culture and integrity.

THE HON. BRUCE LANDER QC

ICAC Public Integrity Survey 2018

The ICAC Public Integrity Survey 2018 was conducted to better understand state and local government (Council) employees' attitudes and perceptions towards corruption and inappropriate conduct.

The survey was 'live' from 4 April - 4 May 2018 and 12,656 public officers provided responses. No questions were mandatory and not all responses were complete.

In addition to the questions requiring a quantitative response, a limited number invited a written response. The primary qualitative question was the last question of the survey:

'Do you have any other comments you would like to make regarding the points raised in this survey?'

Two other questions with a qualitative component were:

'In your work for the State or Local Government have you personally encountered any of the following corruption or inappropriate conduct, in the last five years?'

'Considering your current workplace's practices and policies, how vulnerable do you think your workplace is to the following corruption or inappropriate conduct?'

Both questions provided a list of 14 types of conduct, the last option being 'Other' conduct, which then invited a description. Some participants took the opportunity to provide more detailed descriptions of behaviours they had encountered or to express their views.

A total of 2,064 participants provided usable written responses to one or more of these questions*.

Qualitative responses were coded according to issues to which they related (refer to Appendix one for an explanation of the process adapted) and the results were grouped into related themes. A number of direct quotes are provided in this report[†]. Reflecting our commitment to maintaining the privacy of participants' responses, these quotes may have been redacted to ensure the participant cannot be identified.

*: Feedback such as '**', 'N/A', 'No thanks' etc is excluded from this total.

[†]: Quotes have not been corrected in any way and contain many typographical errors. For the sake of brevity the traditional use of [sic] to highlight such errors has not been used. Explanatory text has occasionally been added in square brackets.

In some cases comments could not be published as they were both lengthy and tended to reveal the identity of the participant or some other person.

The specific wording for questions asked in the survey are detailed in Appendix two. Due to rounding some table and figure totals may not equal 100%.

CAVEATS

The content of this report must be considered in light of the following:

- ▶ To allow for anonymity participants were not asked to identify which Council they worked for. Consequently the amalgamated survey results presented here may not reflect individual Council cultures or experiences but rather reflect the local government sector as a whole.
- ▶ Distribution of the ICAC Public Integrity Survey 2018 to Council public officers followed a different process to state government public officers. With no centralised email distribution list for Council public officers, Council CEO's were approached for support in distributing the survey amongst their public officers. It is unclear if the survey was distributed amongst all Councils. Consequently, it is possible that some Councils are not represented at all.
- ▶ The quantitative responses do not assess the frequency, impact or severity of corruption / inappropriate conduct reportedly encountered by participants.
- ▶ The primary qualitative question was voluntary and completely open. Therefore participant responses are not necessarily representative of particular Councils or the prevalence of particular issues.
- ▶ As with all surveys of this type responses are based on participants' perceptions, which may not necessarily reflect the true state of affairs.
- ▶ Non-mandatory questions that invite open qualitative responses are typically more likely to elicit responses from people who have had negative experiences or a current grievance. The responses may be skewed as a consequence. Nevertheless such responses help contextualise the quantitative data and provide powerful examples of the lived experiences of participants. Responses of this kind also provide an insight into the potential severity and specific nature of issues occurring in Councils, which the quantitative responses do not address.
- ▶ Various qualitative responses were received relating to reporting corruption and inappropriate conduct. Attitudes towards reporting and the perceived utility and consequences of doing so may differ dependent upon whether a person is reporting an issue to someone inside their organisation or to an external organisation. Accordingly responses on these two points have been coded separately. Responses about reporting to ICAC / OPI or an external agency are referred to as 'external agency' although the data, with few exceptions, typically referred to ICAC / OPI. In the absence of a reference to ICAC / OPI or an external agency the responses are assumed to refer to reporting within the participant's Council. Such responses are described as 'internal'.

Council participants

A total of 985 responses were received from participants who identified as working for a Council. Of these, 162 provided qualitative responses (79 (49%) females and 83 (51%) males).

TABLE 1. PARTICIPANTS	N	% ¹
Councils	985	7.8

1: Percentage based on all survey participants, including those who did not identify their workplace.

Demographics of participants

TABLE 2. DEMOGRAPHICS OF PARTICIPANTS	N	% ^{**}
Gender		
Female	544	55.3
Male	437	44.4
Other***	3	0.3
Age		
20 years and under***	11	1.1
21-34 years	182	18.5
35-44 years	241	24.5
45-54 years	286	29.1
55 years and above	263	26.8

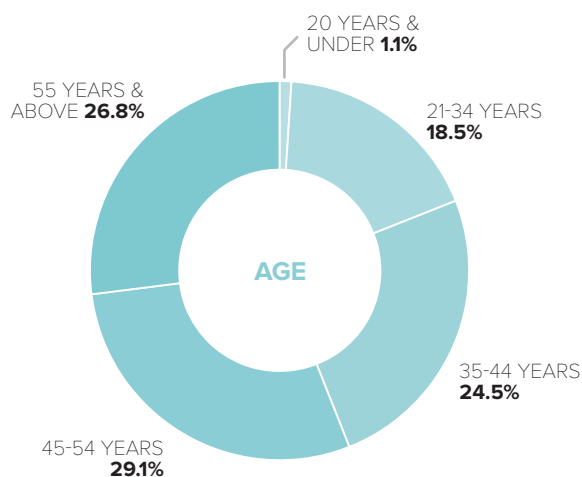
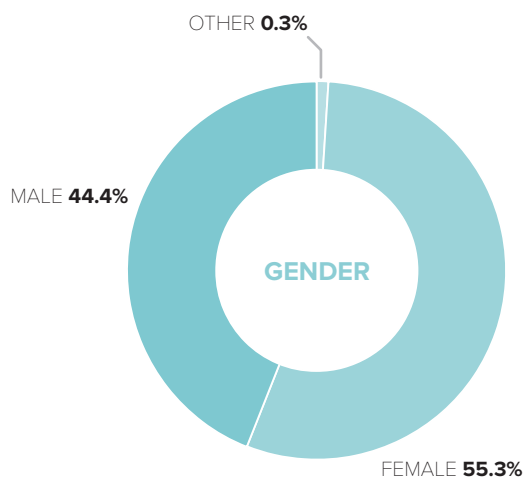


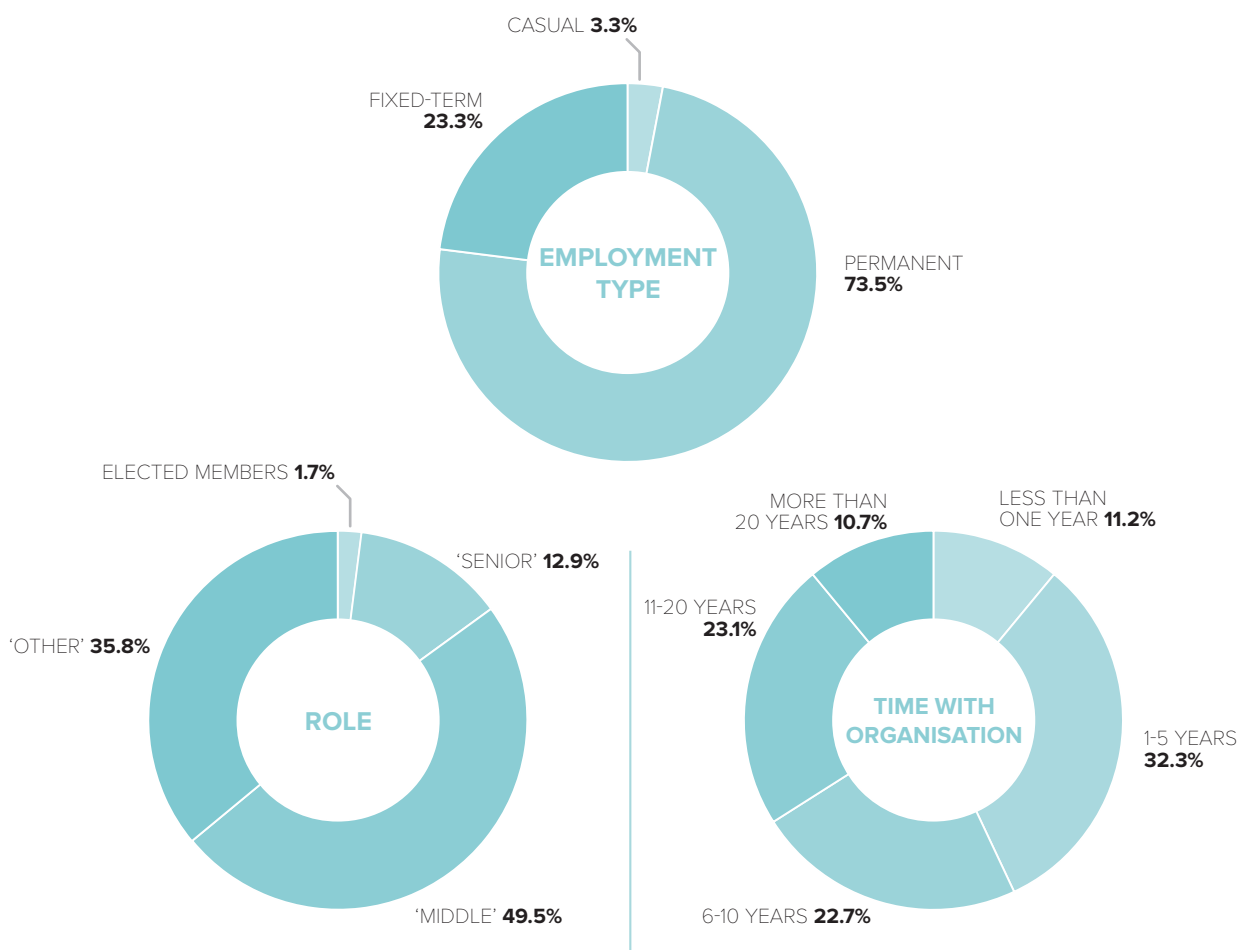
TABLE 2. DEMOGRAPHICS OF PARTICIPANTS	N*	%**
Employment type		
Permanent	723	73.5
Fixed-term	229	23.3
Casual	32	3.3
Role		
Elected Official***	17	1.7
Senior Management or Executive ('Senior')	127	12.9
Middle level staff ('Middle')	488	49.5
Other staff ('Other')	353	35.8
Time with organisation		
Less than one year	110	11.2
1-5 years	318	32.3
6-10 years	223	22.7
11-20 years	227	23.1
More than 20 years	105	10.7

*: As questions were not mandatory the number of participants in specific demographic categories may be smaller than the total of all responses.

** : Percentages are calculated on the total number of participants who responded to that particular question.

***: For the purpose of statistical analyses this category was excluded.

Statistical tests were performed with the quantitative data to examine differences between demographic groups. Please refer to Appendix three for endnotes describing statistical results.¹



Awareness of the ICAC and the OPI

Participants were asked if they had heard of the ICAC and the OPI. As the introduction text to the survey included a reference to the ICAC and the OPI it is possible that the following figures are an overestimation of genuine, unprompted levels of awareness.

TABLE 3. AWARENESS OF THE ICAC AND THE OPI	% COUNCIL	% WHOLE SAMPLE
Aware of the ICAC		
Yes	87.7	79.7
No	9.0	15.0
Don't know / not sure	3.2	5.4
Aware of the OPI		
Yes	68.7	61.8
No	21.6	28.0
Don't know / not sure	9.8	10.2

A higher proportion of Council participants were aware of both the ICAC and the OPI than was observed in the whole sample.

Statistical testing highlighted a number of differences:

AWARE OF THE ICAC

- ▶ Women were less likely and men were more likely to agree to having heard of ICAC (85.5% and 90.8%).²
- ▶ Participants aged 21-34 years old were less likely and those aged 55+ were more likely to agree (79.1% and 94.3%).³
- ▶ 'Other' staff were less likely and 'Senior' staff were more likely to agree (81.3% and 98.4%).⁴
- ▶ Casual staff were less likely and permanent staff were more likely to agree (59.4% and 89.2%).⁵
- ▶ Participants who had been employed for less than one year were less likely and those who had been employed for 6-10 years were more likely to agree (75.5% and 93.3%).⁶

Reporting corruption and inappropriate conduct

Reporting to the ICAC and the OPI

Elected members and employees of Councils have an obligation under the Commissioner's Directions and Guidelines (<https://icac.sa.gov.au/directions-guidelines>) to report to the OPI any matter reasonably suspected of involving corruption or serious or systemic misconduct or maladministration. Participants were asked about their awareness of these reporting obligations and whether they would report to the OPI.

TABLE 4. REPORTING TO THE ICAC AND THE OPI	% COUNCIL	% WHOLE SAMPLE
Have reporting obligations to the ICAC / OPI		
Agree	81.8	79.7
Disagree	2.7	3.3
Neither agree nor disagree	15.5	17.0
Willing to report to the ICAC / OPI		
Agree	75.5	69.3
Disagree	3.2	5.1
Neither agree nor disagree	21.3	25.6

Awareness amongst Council participants of reporting obligations to the ICAC / OPI was relatively analogous with that observed in the whole sample. Approximately one in five Council participants did not agree that they had an obligation to report to the ICAC / OPI.

A higher proportion of Council participants than observed in the whole sample agreed they were willing to report to the ICAC / OPI. However, one in four did not agree they would report.

Statistical tests highlighted a number of differences:

HAVE REPORTING OBLIGATIONS TO THE ICAC / OPI

- 'Other' staff were less likely and 'Senior' staff were more likely to agree they had reporting obligations (77.3% and 93.4%).⁷

WILLING TO REPORT TO THE ICAC / OPI

- Participants aged 21-34 were less likely to agree they would report to ICAC / OPI (65.7%).⁸
- Casual staff were less likely to agree (58.3%).¹⁰
- 'Other' staff were less likely and 'Senior' staff were more likely to agree (66.2% and 92.2%).⁹
- Participants who had been in an organisation for less than one year were more likely to agree (83.9%).¹¹

These findings suggest that public officers in more tenuous or less powerful positions may be more hesitant to report to the ICAC / OPI. Public officers who were new to the organisation (less than one year) were less likely to be aware of the ICAC / OPI but more likely to agree they would report. This may reflect less experience with the perceived potential negative consequences of reporting.

Qualitative responses addressing issues with and attitudes around reporting are discussed later in the report.

Reporting internally

Participants were asked a series of questions about reporting corruption and inappropriate conduct within their organisation.

TABLE 5. REPORTING INTERNALLY	% COUNCIL	% WHOLE SAMPLE
Willing to report internally		
Agree	75.6	73.2
Disagree	11.0	11.5
Neither agree nor disagree	13.4	15.3
My organisation discourages reporting		
Agree	8.6	14.0
Disagree	67.4	53.5
Neither agree nor disagree	24.0	32.5
Confident my organisation would take action		
Agree	55.1	39.6
Disagree	20.0	31.4
Neither agree nor disagree	24.8	29.0

TABLE 5. REPORTING INTERNALLY	% COUNCIL	% WHOLE SAMPLE
My organisation has adequate protections for those who report		
Agree	38.9	24.8
Disagree	18.9	29.2
Neither agree nor disagree	42.2	45.9
My organisation has policies and procedures for reporting		
Agree	76.4	65.0
Disagree	6.2	8.5
Neither agree nor disagree	17.4	26.4
My organisation provides information about reporting		
Agree	59.9	44.9
Disagree	17.9	26.8
Neither agree nor disagree	22.2	28.3
Confused about what to report		
Agree	26.2	29.4
Disagree	56.3	50.0
Neither agree nor disagree	17.5	20.6
Consider negative consequences to the organisation before reporting		
Agree	18.7	19.9
Disagree	55.4	54.7
Neither agree nor disagree	25.9	25.4

While Council responses were more positive than those observed in the whole sample there are still some notable issues:

- ▶ One in four Council participants did not agree that they were willing to report internally.
- ▶ Only 39% agreed that their organisation has adequate protections for those who report.
- ▶ A total of 45% did not agree that they were confident their organisation would take action.
- ▶ Approximately one in ten participants felt that their organisation discouraged reporting.

Some participants' qualitative responses suggested that they had been actively discouraged from reporting perceived corruption or inappropriate conduct (one external agency, three internal). Of the 2,064 participants who gave qualitative responses there were few references to being actively discouraged from reporting (four external agency, 15 internal). The comparatively higher response rate within Councils suggests this issue may be more significant within the local government sector.



"Our [redacted] encouraged them not to make an official claim within the organisation or with Fair Work SA [redacted]/ This led to months of distressing behaviors exhibited by management in regard to this situation."

Statistical testing highlighted a number of differences in quantitative responses:

WILLING TO REPORT INTERNALLY

- 'Other' staff were less likely and 'Senior' staff were more likely to agree that they would report internally (70.4% and 88.1%).¹²

MY ORGANISATION HAS ADEQUATE PROTECTIONS FOR THOSE WHO REPORT

- Women were less likely and men were more likely to agree there were adequate protections for those who report (35.2% and 43.8%).¹³
- 'Other' staff were less likely and 'Senior' staff were more likely to agree (32.0% and 60.7%).¹⁴
- Permanent staff were less likely and fixed-term staff were more likely to agree (36.4% and 48.3%).¹⁵

MY ORGANISATION DISCOURAGES REPORTING

- 'Other' staff were less likely and 'Senior' staff were more likely to *disagree* their organisation discourages reporting (59.2% and 84.4%).¹⁶

CONFUSED ABOUT WHAT TO REPORT

- Participants aged 55+ were more likely and those aged 21-34 were less likely to agree to being confused about what to report (20.3% and 40.5%).¹⁷
- 'Other' staff were more likely and 'Senior' staff were less likely to agree (29.9% and 16.4%).¹⁸
- Casual staff were more likely to agree (46.4%).¹⁹

Statistical differences again emphasise a greater sense of vulnerability for those employed in lower positions.

Nearly half of Council participants did not agree they were confident their organisation would take action on a report. A few participants suggested there was no point in reporting (two external agency, one internal) or they had previously reported an issue and there had been no change (two external agency, one internal). Other issues regarding the perceived utility of reporting, such as difficulties in proving a claim or 'getting around the system' were also raised by participants (two external agency, three internal):



If there was a guarantee of action for key players to be removed from the organisation more people would report to ICAC however there is a fear that it wouldn't 'get over the line' and the powers would do everything they could to find out who was responsible.

I know of an investigation that is still ongoing by ICAC... there has been no result/completion. It does make people wonder, why bother!

...when you try and make a complaint against them, higher management and HR believes them

Approximately one in five Council participants agreed that a public officer should consider negative consequences to the organisation before reporting.

Taken together the data suggests there is a significant proportion of Council public officers who are not confident their organisation would take action on a report or that they could report without risk of reprisal.

Experiences with reporting internally

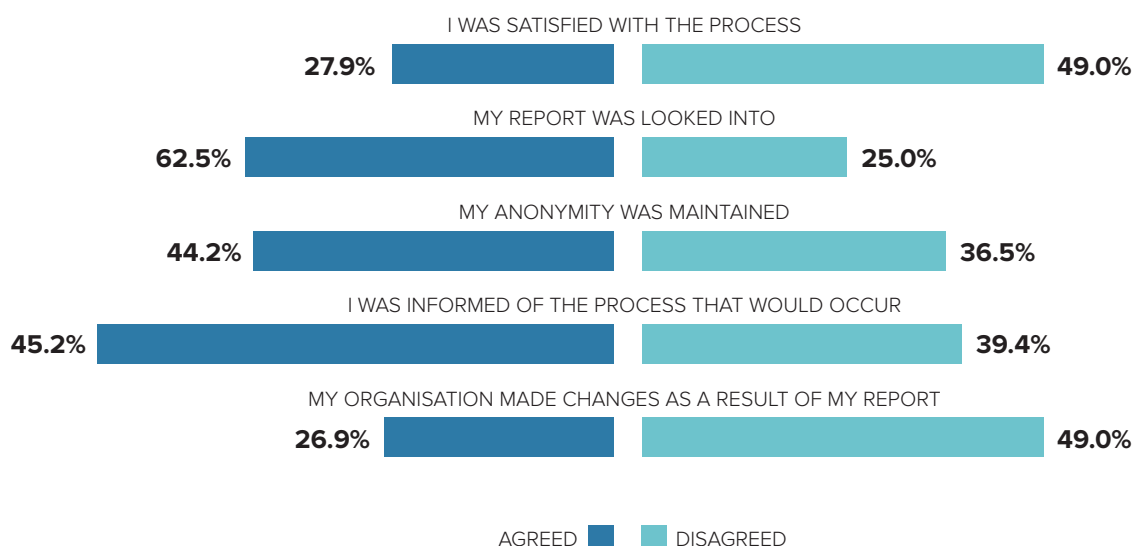
A total of 10.9% of Council participants said that they had previously reported corruption or inappropriate conduct to someone inside their organisation.

Of those who had reported 53.8% reported to a supervisor or manager; 30.8% to the head of their organisation; 16.3% to human resources staff and 13.5% to an 'Other' role.

A much greater proportion of Council participants were dissatisfied than satisfied with the process that occurred after reporting corruption / inappropriate conduct internally. Around 45% agreed that they were informed of the process that would occur. Data from the whole sample showed that those who were not informed of the process were more likely to be dissatisfied with it.

Significantly higher proportions agreed than disagreed that their report was looked into. Around 37% disagreed that when they made a report their anonymity was maintained.

COUNCIL PARTICIPANTS' EXPERIENCES



Attitudes to reporting

Participants were asked a series of questions addressing various attitudes to reporting.

TABLE 6. ATTITUDES TO REPORTING	% COUNCIL	% WHOLE SAMPLE
Aware of Code of Conduct requirements		
Agree	88.4	87.4
Disagree	3.9	4.1
Neither agree nor disagree	7.7	8.5
Worried about their job		
Agree	41.6	53.2
Disagree	35.1	27.0
Neither agree nor disagree	23.4	19.8
Feel intimidated to report		
Agree	36.3	42.8
Disagree	41.2	35.3
Neither agree nor disagree	22.5	21.9
Know of others who had experienced negative consequences from reporting		
Agree	19.9	29.2
Disagree	34.9	27.4
Neither agree nor disagree	45.2	43.3
Reporting externally has negative consequences		
Agree	29.9	35.7
Disagree	28.2	20.9
Neither agree nor disagree	41.9	43.4

A total of 42% agreed they would be worried about their job if they reported corruption / inappropriate conduct. More than one in three agreed they were intimidated to report and one in five said they knew of others who had experienced negative consequences from reporting. Thirty percent agreed that reporting externally has negative consequences.

Statistical testing highlighted a number of differences:

FEEL INTIMIDATED TO REPORT

- ▶ Women were more likely and men were less likely to agree they would feel intimidated to report (42.3% and 29.1%).²⁰
- ▶ Participants who were aged 21-34 were more likely and those aged 55+ were less likely to agree (51.7% and 25.4%).²¹
- ▶ 'Other' staff were more likely and 'Senior' staff were less likely to agree (41.8% and 20.3%).²²
- ▶ Casual staff were more likely and fixed-term staff were less likely to agree (46.4% and 30.5%).²³

KNOW OF OTHERS WHO HAVE EXPERIENCED NEGATIVE CONSEQUENCES FROM REPORTING

- ▶ 'Other' staff were less likely and 'Senior' staff were more likely to *disagree* to having known others who had experienced negative consequences from reporting (29.3% and 49.2%).²⁴
- ▶ Participants who had been in the organisation for 6-10 years were more likely and those who had been there for less than 1 year were less likely to agree (24.2% and 10.9%).²⁵

While women were more likely to agree to feeling intimidated to report this may not necessarily mean that men were less intimidated. Men may be less willing to admit to feeling intimidated. This gendered difference could also reflect that female participants were occupying less senior and/or secure positions, which were shown to be more likely to agree to feeling intimidated to report.

In the qualitative responses two participants said they would report corruption or inappropriate conduct internally. However, a few other participants stated that they would not report (one external agency and four internal):



...there is no way in the world I would ever report anything ever again. I need my job, I have a mortgage to pay and am the breadwinner, so am not likely to risk it because I know who would be out the door first and it certainly wont be those favourites.

I continue to do the right thing, but will not point out those who don't for my own protection/sanity.

A theme to emerge from the qualitative responses and reflecting the quantitative results is a fear that reporting would lead to negative consequences (six external agency and nine internal):



Teaching staff that reporting leads to them being fired and that illegal activity is not treated as such by management (ieby having police involvement)

I feel I would loose my job if management ever found out that I reported anything.

I would report corruption but I am unsure if I will be protected as other previously have been vistomised and lost their job

This fear may not be misplaced, with participants describing having experienced negative consequences after having made a report (two internal) or having seen others experience such consequences (two internal and one external agency). Losing or feeling forced to leave one's job was considered such a severe consequence that reports of such experiences were coded separately. Council participants did provide descriptions of having seen people lose their job or feel a need to leave their job after having reported an issue (two internal and one external agency):



People in our organisation have lost out on jobs they have gone for, lost their job entirely and had their reputations tarnished as a result of raising genuine concerning issues.

...has proven herself to be a tyrannical bully to anyone of the many people who have questioned [redacted] conduct .Maladministration has run wild since [redacted] when [redacted] raised concerns [redacted] they were read the riot act. This is an everyday occurance

having reported once I will never report again because of the consequences to me

While it could be assumed that those who experienced negative consequences from reporting may feel that post-report protections were inadequate, these participants stated that there was a need for such protections:



Support for any whistleblowers is pathetic leaves them hung out to dry as the 'problem' rather than focussing on the corrupt and illegal behaviours and those responsible for them.

Other issues raised by Council participants regarding reporting included the issue needing to be sufficiently serious to warrant reporting (one internal), difficulties with reporting those in more senior positions (one internal), uncertainty regarding what matters to report (four external agency) or the process of how to report (one internal, one external agency) and processes and legal issues around reporting (two external agency):



I would think that most people would be confused about what to report.

I feel were not serious enough to classify as corruption merely items that should be dealt with in-house but were not as it is upper management protection.

...I am not clear on the procedures for reporting of this within my own organisation

Corruption / inappropriate conduct

Participants were asked if they had personally encountered corruption or inappropriate conduct in the last five years. The first response option available was they had not personally encountered any corruption or inappropriate conduct. Participants who agreed with this statement moved to the next question in the survey. Those who disagreed were asked if they had experienced any of 14 different types of corruption or inappropriate conduct.

A total of 49.1% of Council participants reported not encountering corruption / inappropriate conduct in the last five years, compared to 46% of the sample as a whole.

Corruption / inappropriate conduct is shown as proportions of 1) Council participants who reported encountering corruption or inappropriate conduct in the last five years ('Encountered') and 2) all Council participants who completed the whole survey regardless of if they had encountered corruption or inappropriate conduct.

The latter measure gives a more realistic notion of the perceived prevalence of corruption or inappropriate conduct in Councils.

TABLE 7. ENCOUNTERED CORRUPTION / INAPPROPRIATE CONDUCT	ENCOUNTERED %	COUNCIL %
Financial misconduct, theft, fraud (excluding procurement issues)	22.5	10.1
Nepotism / favouritism	73.9	35.0
Falsifying information (excluding financial misconduct and procurement issues)	19.6	8.8
Procurement (distinct from general financial issues)	20.7	9.2
Inappropriate access to and / or misuse of confidential information	27.8	12.5
Bullying and harassment	80.6	39.5
Conflict of interest	63.8	29.6
Bribery / inappropriate acceptance of gifts	13.9	6.2
Perverting the course of justice	7.5	3.3
Mismanagement of those receiving care	6.7	3.0
Failure to fulfil duties (excluding other categories)	36.9	16.4
Physical abuse / assault	6.7	3.0
Misuse of power (excluding other categories)	46.6	21.0
Other types	9.0	3.5

Human resource issues were the most frequently encountered by Council participants. A total of 40% had encountered bullying / harassment. Bullying was also the most frequently raised experience of inappropriate conduct in the qualitative responses (17 participants):



...generally speaking bullying and harassment is rife and is not addressed satisfactorily, and in many instances the perpetrator remains unscathed...

...it is a highly bullying culture from the top down

Four participants described some form of discrimination:



Ageism is rife in local government. There are very limited opportunities if you are older and many organisations actively seek to force older people out.

More than one in three Council participants had personally encountered nepotism and/or favouritism. This was also reported in broad terms by nine participants in the qualitative responses:



In my section of the organisation preference is given to staff (eg: promotional opportunities, extra hours, by others (sometimes on recruitment panels) who are friends and who are physically young and attractive.

Seven participants talked about specific issues of favouritism and poor practice in relation to employment and hiring decisions:



...the only down side is people in prominent positions employing friends/ family where others should have been employed instead.

Conflicts of interest were encountered by a high proportion (30%) of Council participants. Seven participants raised conflict of interest issues in the qualitative responses:



Demanding for capital work to be carried out on public assets that directly benefits a person in an elected position of power.

One in five Council participants had encountered the misuse of power. This was only specifically raised by one participant in the qualitative responses. However, other behaviour, such as bullying by management and nepotism is a misuse of power.

Sixteen percent of participants encountered a failure to fulfil duties and was raised by two participants in the qualitative responses.

Approximately one in ten had encountered financial misconduct, theft, fraud or issues with procurement. Two participants raised issues with procurement and ten raised experiences with financial misconduct, theft or fraud in the qualitative responses:



Local Govt. is good at hiding how it spends money and usually undertakes projects that are unwarranted or spend money which doesn't align with their Asset Management Plans.

Organisation needs to be more accountable for the spending of money.

The qualitative responses did not generally reference instances of theft but rather the perceived mismanagement of funds.

Falsifying information was encountered by 9% of Council participants. Falsifying or altering information was raised by three participants in the qualitative responses. Three participants also mentioned falsifying timesheets:



Inappropriate accounting for activity due to political pressure to fund the activity but trying to be creative with how it appears in the accounts.

falsifying timesheets, verbally told not to action things relevant to position

A total of 13% of Council participants reported encountering inappropriate access to and/or misuse of confidential information. However, in response to a later question in the survey 30.1% of Council participants reported having databases or systems storing sensitive information which could be accessed with generic or shared login details (compared to 33% of the whole sample).

Five participants raised issues of confidential information being unsecured and three described what could be seen as breaches of confidentiality:



LG employees personal details are in a shared system and it is accessible to all staff with access.

Participants were asked questions on whether they had received training on specific corruption risks and whether their workplace had to bend the rules to achieve its goals.

TABLE 8. CORRUPTION TRAINING AND BEND THE RULES

	% COUNCIL	% WHOLE SAMPLE
Training on specific corruption risks		
Agree	80.7	60.4
Disagree	7.7	23.8
Neither agree nor disagree	11.6	15.8
My workplace has to bend the rules		
Agree	15.7	22.2
Disagree	59.8	51.8
Neither agree nor disagree	24.5	26.0

Training on corruption risks was much higher than compared to the whole sample, with four out of five Council participants agreeing they had received training. Training on corruption / integrity was raised by several participants in the qualitative responses. Four participants said that they had not received training on integrity and integrity related issues. One participant described having received training on ICAC and one participant described having received training on other integrity issues. More participants described a need for training: two participants were seeking training on ICAC, one on internal reporting, two on integrity issues and two described a need for refresher training.

There was also lower agreement (16%) amongst Council participants than observed in the whole sample that the workplace was required to bend the rules. It is unclear if 'bend the rules' may reflect poor adherence to protocol, attempts to achieve personal benefit or protocols seen as ineffective or restrictive.

Eight participants described a failure to follow policy, procedure or legislation:



As long as you are well liked within the organisation you can get away with just about anything, including not adhering to correct internal controls.

My main annoyance is some managers cancelling expiations for members of the organisation and acquaintances without referring back to the issuing officer to get a informed knowledge of the situation.

No statistically significant differences were observed on 'Training on specific corruption risks'.

However a number of other differences were observed:

MY WORKPLACE HAS TO BEND THE RULES

- ▶ Men were more likely and women were less likely to agree their workplace had to bend the rules (19.7% and 12.5%).²⁶
- ▶ Senior staff were less likely to agree (6.6%).²⁷
- ▶ Fixed-term staff were less likely and permanent staff were more likely to agree (10.3% and 17.5%).²⁸
- ▶ Participants who had been employed for less than 1 year were less likely and those who had been employed for 6-10 years were more likely to agree (3.1% and 20.1%).²⁹

Consequences of corruption / inappropriate conduct

While not part of the quantitative survey some qualitative responses were received which speaks to the consequences of poor conduct. Two participants described experiencing stress or “negative affect”. Two participants described situations where colleagues had left or the colleagues felt they would have to leave an organisation due to poor conduct.

There were also responses describing how, for the perpetrator at least, there were no consequences for poor behaviour. Two participants described how people engaging in poor behaviour would not be held to account. Six described those in more senior positions being able to behave poorly without consequences:



...senior management are seen as a protected species...

Three participants said that inappropriate conduct is often masked or hidden and two discussed a need for increased punishment or consequences for such behaviour.

Vulnerability to corruption / inappropriate

A total of 31.5% of Council participants did not think their organisation was vulnerable to corruption / inappropriate conduct, compared to 22.5% of the whole sample.

Percentages in the table below are based on all those who were shown the vulnerability questions, not just those who thought their organisation was vulnerable.

TABLE 9. PERCEIVED VULNERABILITY TO CORRUPTION OR INAPPROPRIATE CONDUCT	SOMEWHAT VULNERABLE (%)	MODERATELY VULNERABLE (%)	HIGHLY OR EXTREMELY VULNERABLE (%)
Financial misconduct, theft, fraud (excluding procurement issues)	31.3	10.7	6.3
Nepotism / favouritism	23.3	15.2	23.5
Falsifying information (excluding financial misconduct and procurement issues)	32.0	12.8	6.7
Procurement (distinct from general financial issues)	28.9	10.7	7.2
Inappropriate access to and / or misuse of confidential information	29.3	14.1	13.2
Bullying and harassment	23.5	18.3	21.7
Conflict of interest	25.5	17.2	18.8
Bribery / inappropriate acceptance of gifts	30.6	11.4	9.6
Perverting the course of justice	23.3	4.5	5.8
Mismanagement of those receiving care	13.9	3.8	2.9
Failure to fulfil duties (excluding other categories)	28.0	12.3	10.5
Physical abuse / assault	24.8	5.6	3.1
Misuse of power (excluding other categories)	26.8	13.2	13.2
Other types	1.8	0.9	0.9

Nine percent more Council participants than observed in the whole sample thought that their organisation was not vulnerable to corruption or inappropriate conduct. This may reflect the high proportion of Council participants who reported having received training on corruption risks. However, the proportion of Council participants who actually encountered corruption / inappropriate conduct was not too dissimilar from that observed in the whole sample. Hence, a more positive perception of Council's lack of vulnerability to corruption / inappropriate conduct may not be entirely justified.

Human resource issues were most frequently rated by Council participants as areas of high or extreme vulnerability. Perceived high or extreme vulnerability to nepotism and/or favouritism was raised by 24% and bullying / harassment by 22%. Expanding to include perceptions of moderate vulnerability this increases to approximately 40% of Council participants for both forms of conduct. Nearly one in five viewed conflicts of interest as an area of high or extreme vulnerability. Approximately one in ten viewed inappropriate access to and/or misuse of confidential information, misuse of power and failure to fulfil duties as areas of high or extreme vulnerability.

Qualitative perceptions of Councils

Culture and practices

Eight participants described their organisations as being pro-integrity or committed to preventing corruption. As only 35 participants across the whole sample chose to make such comments, Councils could be seen to be over represented:



the Council I represent definitely support reporting of any inappropriate behaviour and the person that does the reporting would definitely be supported. Any negative behaviour is not tolerated

My current workplace deals with all aspects of the list on the previous page very well [lists of different types of corruption / inappropriate conduct]. The only points where there is some susceptibility is where there is currently, systematically, no method where it can be easily improved. Some already have solutions/fixes in the pipeline. Culturally, it is also very high integrity and close knit.

I am luck that my organisation has a strong commitment to accountability and transparency...

Six discussed the presence of integrity controls:



My current workplace has extremely good policies and procedures in place

Haven't witnessed any corruption or maladministration in recent years (manly due to internal policies regarding recruitment, probity and procurement)...

Five participants said that their organisation's integrity or processes were improving:



Others involve contractors with long term informal agreements rather than open tender - this is changing.

The checks mentioned above [recruitment] were not done at the time of appointment, but have been done since under new CEO

In contrast to this, one participant mentioned that some controls were limited and one discussed a need for improved controls. Four negative comments were received discussing a poor integrity culture.



Cultures of silence are created by senior staff conspiring to keep matters 'in house' and making it clear that is required of all staff by implication.

[redacted] made a complete whitewash and largely covered up most complaints of harassment, bullying and corruption that were made by staff...

Four participants spoke of a pro-integrity attitude:



I think even minor misconduct needs to be reported/tracked/considered because most things start off small & grow very quickly out of control. Good behavior must be the main agenda no matter what position of employment an individual holds.

In addition to comments regarding an organisation's integrity, other comments were received on the perceived culture of the organisation. One participant described a poor work or office culture, two described being under resourced, four described poor morale and two provided other negative comments:



Also information given to staff by CEO has been used in a way of bullying and scare tactics.

I am aware of staff keeping diary notes on other staff, like their own private dossiers to be used if necessary against them.

There is a general sense of fear and a loss of positive culture at my organisation.

Management / leadership

Qualitative responses were at times negative in respect of management. Nineteen participants specifically mentioned poor conduct or behaviour originating with management or senior leadership:



Councillors (and sometimes senior managers) often make decisions against policy...

...directors engaging in misconduct especially in relation to contract management, nepotism...

The Elected Members in Local Government and sometimes those in Executive roles appear to get away bullying and harassment...

Six participants described poor leadership, management, planning or accountability. Two described issues of internal communication, lies or poor transparency:



The organization I work for is so disorganized. Leading hands and supervisors lie through there teeth...

Mayor must be impartial, cannot make up his own rules. Mayor lost my confidence.

Five participants expressed a view that management did not effectively address poor performance or conduct issues:



Numerous people within the organisation have reported to [redacted] the bullying they have experienced or witnessed only to be discouraged by [redacted] t take it any further. Leaving employees with no course of action or support.

the organisation can be 'afraid' to call the behaviour and I have witnessed this on many occasions - eventually they leave or the behaviour is called but typically long after the detrimental damage to strategic outcome of other colleagues is beyond repair.

A feature of Councils is the presence of elected officials. Nine participants specifically discussed perceptions of elected members having excessive influence, engaging in poor conduct or there being limited avenues to address such poor conduct:



The elected members seem to be a power of their own. Often do not accept opinions or expertise of their staff.

My biggest concern is inappropriate interference from Elected Members (Local Council) especially when the CEO and Managers are on contracts and therefore open to influence to protect their continuing jobs.

Process for dealing with Elected Member offenses could be improved. Continued breaches of Code of Conduct seemingly only result in request for apology and there does not seem to currently be a way of dealing with multiple frivolous complaints or those who continually act in opposition to their agreed Code of Conduct or engage in ongoing bullying and harassment.

Specific risks

Recruitment practices

Participants were asked a series of questions regarding their experiences with recruitment practices.

TABLE 10. REPORTED CHECKS AT RECRUITMENT	% COUNCIL	% WHOLE SAMPLE
Criminal history check	59.4	84.0
Working with children or vulnerable people check	45.1	64.7
Criminal association check	21.5	40.5
Verification of their qualifications	60.0	63.4
Referees were contacted	86.6	87.4

Varied criminal checks were typically less frequently reported by Council participants than observed in the sample as a whole. While previous convictions may not be an automatic barrier to employment they may inform employment decisions.

The proportion of Council participants who reported verification of their qualifications and referees being contacted during their recruitment were approximately analogous with the sample as a whole. While a total of 40% did not say their qualifications had been verified only six percent selected the 'Not applicable' option provided for participants who may not have formal qualifications. Hence, it is likely that approximately one in three (34%) Council participants may have qualifications that were not verified during the recruitment process

Conclusion

Responses from Council participants were often more positive than observed in the whole sample. A higher proportion of Council participants agreed their organisation would take action in response to a report and more participants agreed their organisation had policies and procedures for reporting and provided information about reporting. However, there is still room for improvement and both the quantitative and qualitative survey responses identify several issues that Councils should consider in more detail.

While awareness of ICAC / OPI was high there remains a need for ongoing training. Noting how proactive many Councils are in educating Council public officers about ICAC / OPI, it is surprising that a high proportion of Council participants did not agree that they had reporting obligations. The survey did not explore the accuracy of public officers' understanding of their reporting obligations. However, insight from the OPI and broader ICAC contact with Councils has shown some confusion still exists.

Local government policies and public officers' adherence to them may require review. Some Council participants' responses on the storage and access of sensitive information was alarming. Councils are encouraged to review who has access to confidential and sensitive information, the business need for each staff member to have such access and what controls may be necessary to prevent misuse. Issues with conflicts of interest were noted by several participants and it is likely that elected members will frequently encounter such issues. Councils are encouraged to review their processes and controls to ensure conflicts are identified and managed in accordance with the *Local Government Act 1999*. More broadly, Council participants' 'bending the rules' may suggest policies which are no longer fit for purpose or where the balance between business efficiency and effective risk control has tilted. Policies or procedures that are ineffective create an environment where staff may be willing to 'bend the rules' to fulfil their duties. Alternately Council may require an increased focus on ensuring appropriate adherence to policies / procedures.

Responses about recruiting practices emphasise that statements in job applications should not be accepted as sole proof of the applicant's qualifications and/or experience. That is particularly important where a qualification is considered an essential requirement for the position.

Quantitative and qualitative responses raised a number of issues related to organisational culture such as the culture of reporting corruption or inappropriate conduct within Councils and the interactions between public officers.

Responses suggest the policy, procedural and educational 'framework' for reporting is better established in Councils than was observed in the whole sample. However, the survey also highlighted Council participants' fears, and experiences, of repercussions from reporting as well as some public officers' sense of frustration that reporting would not result in change.

A culture which inhibits a public officer's ability and willingness to report is a clear integrity risk.

Public officers who report potential corruption or inappropriate conduct play a vital role in minimising and preventing such behaviour. Yet the data suggests there is a significant proportion of Council public officers who are not confident their organisation would take action on a report or that they could report without fear of reprisal.

Survey results also showed common encounters with bullying / harassment and favouritism / nepotism. All public officers are reminded that they are paid by and work for the benefit and service of the public. To pursue private interests with public monies, such as hiring less qualified or appropriate people simply because they are friends or family members, is grossly inappropriate and potentially criminal. Inappropriate conduct should not be accepted and all public authorities must properly and effectively manage poor conduct and its impact.

While the numbers of Council participants who provided responses on consequences of corruption / inappropriate conduct was low compared to the total number of Council participants who completed the survey, this feedback was neither prompted nor required. For participants to raise these issues is at the least a trigger for Councils to critically review their own practices and consider whether such views and perceptions are more widespread than was presumed. As one participant stated: "I don't trust on line surveys in my workplace." Hence, it is unclear how many may be thinking what only a few chose to voice.

Appendices

Appendix one: Coding approach

A subsample of 200 random participants' responses was reviewed to develop an initial coding scheme for the issues raised. This scheme was then used to code the subsample of responses and was revised several times to ensure it was comprehensive. This scheme was then trialled on a further random sample of 200 participants' responses and further refined before being used on the feedback as a whole. At two points the coding scheme was further modified and responses re-coded. Upon completion of coding, responses were further reviewed as part of a data quality process to ensure there was appropriate distinction between the codes.

Appendix two: Question wording

QUESTION TOPIC	SPECIFIC WORDING	RESPONSE SCALE
Council Participants		
Gender	What is your gender?	Female; Male; Other
Age	What is your age?	20 years and under; 21-34; 35-44; 45-54; 55 years and above
Work place	Where do you work? (Remembering you cannot be identified)	17 options, including Local Government
Employment type	How would you describe your current employment?	Permanent; Fixed-term; Casual
Role	How would you describe your current role?	Elected official; Senior Manager or Executive; Middle level staff; Other staff
Time with organisation	How long have you worked with this organisation?	Less than 1 year; 1-5 years; 6-10 years; 11-20 years; More than 20 years

QUESTION TOPIC	SPECIFIC WORDING	RESPONSE SCALE
Awareness of the ICAC & the OPI		
Aware of the ICAC	Had you heard of South Australia's Independent Commissioner Against Corruption before receiving this survey?	Yes; No; Don't know/not sure
Aware of the OPI	Have you heard of the Office for Public Integrity?	Yes; No; Don't know/not sure
Reporting to the ICAC & the OPI		
Have reporting obligations to the ICAC / OPI	Anyone working with or for the State or Local Government is required to report corruption or inappropriate conduct to the Office for Public Integrity/ Independent Commissioner Against Corruption	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Willing to report to the ICAC / OPI	I think I would report corruption or inappropriate conduct to the Office for Public Integrity/ Independent Commissioner Against Corruption	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Reporting internally		
Willing to report internally	I think I would report corruption or inappropriate conduct to someone inside my organisation	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
My organisation discourages reporting	My organisation discourages reporting	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Confident my organisation would take action	If I make a report in my organisation, I am confident that appropriate action would be taken	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
My organisation has adequate protections for those who report	I feel there are adequate protection in my organisation for those who've reported	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
My organisation has policies and procedures for reporting	My organisation has policies and procedures for reporting	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
My organisation provides information about reporting	My organisation provides information about reporting	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Confused about what to report	I'm confused about what conduct should be reported	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Consider negative consequences to the organisation before reporting	It is important to consider the potential negative consequences to your organisation before reporting	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree

QUESTION TOPIC	SPECIFIC WORDING	RESPONSE SCALE
Experiences with reporting internally		
Experiences	Have you previously officially reported corruption or inappropriate conduct to someone inside your organisation?	Yes; No
	For the most recent occasion where you reported corruption or inappropriate conduct who did you report this to?	Supervisor or manager; Head of my organisation; Human resources; Other (please describe in the field below); Not certain/can't remember
	How would you describe this most recent report?	
	I was informed of the process that would occur	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree; Not Applicable
	My anonymity was maintained	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree; Not Applicable
	My report was looked into	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree; Not Applicable
	My organisation made changes as a result of my report	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree; Not Applicable
	I was satisfied with the process	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree; Not Applicable
Attitudes to reporting		
Aware of Code of Conduct requirements	I am confident I know what is required of me under my Code of Conduct	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Worried about their job	If I reported I would be worried about my job	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Feel intimidated to report	I would feel intimidated to report	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Reporting causes trouble with colleagues	If I reported I would likely be in trouble with my colleagues	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Know of others who had experienced negative consequences	I know of other who have had negative consequences when they have reported	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Reporting externally has negative consequences	Reporting to an external agency generally has negative consequences for the person reporting	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree

QUESTION TOPIC	SPECIFIC WORDING	RESPONSE SCALE
Corruption / inappropriate conduct encountered in the last five years		
Encountered corruption / inappropriate conduct	In your work for the State or Local government have you personally encountered any of the following corruption or inappropriate conduct, in the last five years?	Yes; No; Not Applicable (List of different forms of corruption)
Training on specific corruption risks	My organisation has provided me with information/training on specific corruption risks, eg conflict of interest, procurement risks, information security	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
My workplace has to bend the rules	My workplace sometimes has to bend the rules to achieve its goals	Strongly Agree; Agree; Neither agree nor disagree; Disagree; Strongly Disagree
Corruption / inappropriate conduct vulnerability		
Vulnerability to corruption / inappropriate conduct	Considering your current workplace's practices and policies, how vulnerable do you think your workplace is to the following corruption or inappropriate conduct?	Not at all vulnerable; Somewhat vulnerable; Moderately vulnerable; Highly vulnerable; Extremely vulnerable; Not Applicable (List of different forms of corruption)
Specific risks		
Generic or shared login details	Does your workplace have any databases or systems storing sensitive information, such as people's personal details or financial data, which can be accessed with generic or shared login details?	Yes; No; Not applicable
Recruitment practices	As part of recruitment for your current job, are you aware of any of the following occurring?	
	A criminal history check	Yes; No; Not applicable
	A working with children or a working with vulnerable people check	Yes; No; Not applicable
	Criminal association check	Yes; No; Not applicable
	Verification of your qualifications	Yes; No; Not applicable
	Referees were contacted	Yes; No; Not applicable

Appendix three: Statistical results

- 1: All statistical tests in this report are limited to chi-square tests for independence. Response categories of 'Strongly Agree' and 'Agree' were combined to 'Agree' and response categories of 'Strongly Disagree' and 'Disagree' were combined to 'Disagree'. Only results which were statistically significant are reported. Not all questions were subject to statistical analysis of demographic differences. As some participant's demographic information is missing, the percentage agreeing to the question may differ slightly for each specific demographic test, typically plus or minus 0.1%. Due to the differences being so minor, for ease of reading the revised percentages of agreement to each question are not shown.
- 2: $\chi^2(2) = 10.5, p < .01, v = .103$.
- 3: $\chi^2(6) = 28.0, p < .001, v = .120$.
- 4: $\chi^2(4) = 35.6, p < .001, v = .136$.
- 5: $\chi^2(2) = 25.5, p < .001, v = .161$. This excluded 'Don't know / Not sure' responses.
- 6: $\chi^2(8) = 30.0, p < .001, v = .123$.
- 7: $\chi^2(4) = 15.5, p < .01, v = .094$.
- 8: $\chi^2(6) = 14.3, p < .05, v = .092$.
- 9: $\chi^2(4) = 31.7, p < .001, v = .138$.
- 10: $\chi^2(4) = 14.1, p < .01, v = .091$.
- 11: $\chi^2(8) = 18.0, p < .05, v = .103$.
- 12: $\chi^2(4) = 19.2, p = .001, v = .106$.
- 13: $\chi^2(2) = 8.1, p < .05, v = .095$.
- 14: $\chi^2(4) = 31.0, p < .001, v = .132$.
- 15: $\chi^2(4) = 11.1, p < .05, v = .079$.
- 16: $\chi^2(4) = 27.4, p < .001, v = .124$.
- 17: $\chi^2(6) = 23.6, p = .001, v = .115$.
- 18: $\chi^2(4) = 22.4, p < .001, v = .113$.
- 19: $\chi^2(4) = 11.2, p < .05, v = .079$.
- 20: $\chi^2(2) = 16.3, p < .001, v = .138$.
- 21: $\chi^2(6) = 30.6, p < .001, v = .134$.
- 22: $\chi^2(4) = 30.1, p < .001, v = .133$.
- 23: $\chi^2(4) = 12.2, p < .05, v = .084$.
- 24: $\chi^2(4) = 19.0, p = .001, v = .106$.
- 25: $\chi^2(8) = 19.2, p < .05, v = .105$.
- 26: $\chi^2(2) = 9.4, p < .01, v = .103$.
- 27: $\chi^2(4) = 47.5, p < .001, v = .164$.
- 28: $\chi^2(4) = 14.1, p < .01, v = .089$.
- 29: $\chi^2(8) = 25.5, p = .001, v = .119$.



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