

# Media Release

## **COMMISSIONER WARNS OF THE ‘TRUSTED INSIDER’**

**Wednesday, 26 June 2019**

The Independent Commissioner Against Corruption, the Hon. Bruce Lander QC, has released a report examining two corruption investigations undertaken by his office.

The Commissioner said the report aims to unpack the “phenomenon of the trusted insider who abuses his or her authority”.

The report focuses on two investigations. An investigation into a senior manager at Yorke Peninsula Council who dishonestly appropriated over \$200,000 and an investigation into a senior manager at TAFE SA who dishonestly appropriated over \$150,000.

The common theme between the ICAC investigations was that both offenders had attained a level of seniority within their organisations, and had gained considerable respect and trust from their colleagues.

“A key feature of corruption by a trusted insider is the ‘trust trap’. Trusted insiders who engage in corruption are often typified by long periods of loyal service (around five years) which in turn generates organisational trust. The public officers the subject of this report had been employed in their agencies for approximately seven and six years respectively before they began their corrupt conduct,” the report said.

“Predictably, controls and risk protections applicable to such individuals are lowered or relaxed and they are often granted greater access to business processes.

“This excessive trust blinds the organisation to potential impropriety.

“Trusting employees is an institutional necessity. But the downside is that trust can be abused. Agencies must find a way to provide safeguards that reduce the risks of corruption while at the same time not unduly burdening or undermining trust in employees which is vital for good public administration.”

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The report highlights some of the factors that contributed to these public officers committing such long, substantial and debilitating offences against their agencies, colleagues and the community at large.

Commissioner Lander hoped the report would help equip public agencies to “identify practices that might reduce the prospect of such conduct occurring in the future”.

“I emphasize that the purpose of the report is not to further punish the public officers involved. Rather this report is intended to promote awareness amongst public officers regarding the nature of the conduct engaged in, how that conduct was able to occur, and what might be done to reduce the opportunity for such conduct to occur in the future,” Commissioner Lander said.

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