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Independent Commissioner Against Corruption and Office for Public Integrity **2020-21 Annual Report**

Independent Commissioner Against Corruption
and Office for Public Integrity

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2020-21 ANNUAL REPORT for the Independent Commissioner Against Corruption and Office for Public Integrity

To:

The Honourable Joshua Teague MP
Speaker of the House of Assembly

The Honourable John Dawkins ADFM MLC
President of the Legislative Council

This annual report will be presented to Parliament to meet the statutory reporting requirements of section 45 of the *Independent Commissioner Against Corruption Act 2012 (SA)* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

Included is a report on the number and general nature of sanctions imposed under the *Police Complaints and Discipline Act 2016 (SA)*, as required by section 31 of that Act.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted by:



The Honourable Ann Vanstone QC
Independent Commissioner Against Corruption

29 September 2021

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2020-21 ANNUAL REPORT for the Independent Commissioner Against Corruption and Office for Public Integrity

To:

The Honourable Vickie Chapman MP
Deputy Premier
Attorney-General

This annual report will be presented to Parliament to meet the statutory reporting requirements of section 12(1) of the *Public Sector Act 2009* (SA) and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted by:

A handwritten signature in black ink, appearing to read 'Ann Vanstone', written in a cursive style.

The Honourable Ann Vanstone QC
Independent Commissioner Against Corruption

29 September 2021

From the Commissioner

This is my first Annual Report as the Independent Commissioner Against Corruption, having taken up that role on 2 September 2020.

The office is a sophisticated, well-staffed and well run organisation containing a number of important components. I consider myself fortunate to have been entrusted to lead such an office.



I came to the role with several goals, about which I have been frank. First, there was to be a renewed focus on our own investigations of potential corruption, to the exclusion of my officers undertaking misconduct and maladministration investigations. Then, I stated that I wished for our investigations to be completed in shorter time frames, with an enhanced quality of brief being presented to the Director of Public Prosecutions. Next, I have sought to increase the focus on prevention, ensuring that, not only do we maintain our efforts in the areas of education and evaluation of agencies, but also that we extract tangible lessons from every investigation – whatever its outcome – that can be used, not only by the agency under examination, but by all like agencies.

Finally, it has been my hope that I can be more open about our activities and our findings. I know that there is a thirst in public administration in South Australia to improve governance and performance generally, and my staff and I are at the ready to assist wherever we can. In order to do that we need to communicate with public officers and with the public to the limits of our statutory mandate.

I believe that there has been tangible progress in each of these endeavours.

Late in June 2021 the Deputy ICAC, Mr Michael Riches, took up the position of the Independent Commissioner Against Corruption for the Northern Territory. Mr Riches joined the South Australian ICAC early in its life as a Senior Legal Officer. He has been integral to its success. I wish to publicly thank him for his excellent service to the ICAC and for his assistance to me in my first ten months as Commissioner.

I also acknowledge our five Directors for their leadership and accomplishment in their respective areas. They have expertly managed groups of highly skilled and committed individuals who, together, make up an outstanding organisation. I thank every member of staff for their dedication and hard work.

A handwritten signature in black ink, reading "Ann Vanstone". The signature is written in a cursive, flowing style.

The Honourable Ann Vanstone QC
Independent Commissioner Against Corruption

Contents

Overview: about the agency..... 9

- Strategic focus 9
- Purpose..... 9
- Vision 9
- Values..... 9
- Functions and objectives 10
- Organisational structure 12
- Changes to the agency 12
- ICAC/OPI Management team 13
- Legislation administered by the agency 14
- Other related agencies..... 15

ICAC/OPI performance..... 16

- Performance at a glance 16
- ICAC/OPI response to COVID-19 16
- ICAC/OPI contribution to whole of Government objectives 16
- Agency specific objectives and performance 16
- Corporate performance summary 16
- Employment opportunity programs 18
- Agency performance management and development systems..... 19
- Work health, safety and return to work programs 21
- Executive employment in the agency 23

Financial performance 24

- Financial performance at a glance 24
- Consultants disclosure 25
- Legal services disclosure 26
- Contractors disclosure 27

Risk management..... 29

- Risk and audit at a glance..... 29
- Fraud detected in the agency..... 30
- Strategies implemented to control and prevent fraud..... 30
- Public interest disclosure 30

Reporting required under any other act or regulation 31

Public complaints..... 63

 Compliance statement 64

Appendix: Audited financial statements 2020-21 65

Overview: about the agency

Strategic focus

The Independent Commissioner Against Corruption (ICAC) and the Office for Public Integrity (OPI) are established by the *Independent Commissioner Against Corruption Act 2012* (ICAC Act). The ICAC Act defines the objectives and functions of both offices with further functions given to the OPI under the *Police Complaints and Discipline Act 2016* (PCD Act). These legislative functions underpin the ICAC and OPI Strategic Plan 2017-20 which is available on the ICAC website:

https://icac.sa.gov.au/system/files/ICAC_OPI_Strategic_Plan_2017-2020.pdf

Purpose

To preserve and promote integrity in public administration through proactive prevention and education initiatives, the investigation of corruption in public administration, and the investigation or referral of misconduct or maladministration in public administration.

Vision

Good governance, accountability, integrity and ethical decision making throughout public administration for the benefit of all South Australians.

Values

The ICAC/OPI values are:

Accountability

We are responsible for our actions and decisions. We use our resources responsibly. We scrutinise ourselves as vigorously as we scrutinise others.

Collaboration

We encourage the sharing of knowledge and ideas. We actively seek the contribution and perspectives of others. We work together to achieve best outcomes.

Excellence

We lead by example and demonstrate best practice. We continually strive to improve our capabilities, skills and knowledge. We are committed to professionalism and service.

Independence

We conduct ourselves without fear or favour and make decisions according to the law.

Integrity

We are fair and unbiased in all our dealings. We are honest, trustworthy, reliable and fearless in fulfilling our duties.

Respect

We treat everyone with respect, fairness and courtesy. We take our responsibilities seriously and use our powers carefully.

Functions and objectives

ICAC functions

Sections 7(1) and (3) of the ICAC Act set out the functions of the Commissioner's office:

- (1) There is to be an Independent Commissioner Against Corruption with the following functions:
 - (a) to identify corruption in public administration and to –
 - (i) investigate and refer it for prosecution; or
 - (ii) refer it to a law enforcement agency for investigation and prosecution;
 - (b) to assist inquiry agencies and public authorities to identify and deal with misconduct and maladministration in public administration;
 - (c) to refer complaints and reports to inquiry agencies, public authorities and public officers and to give directions or guidance to public authorities in dealing with misconduct and maladministration in public administration, as the Commissioner considers appropriate;
 - (ca) to identify serious or systemic misconduct or maladministration in public administration;
 - (cb) to exercise the powers of an inquiry agency in dealing with serious or systemic maladministration in public administration if satisfied that it is in the public interest to do so;
 - (cc) to exercise the powers of an inquiry agency in dealing with serious or systemic misconduct in public administration if the Commissioner is satisfied that the matter must be dealt with in connection with a matter the subject of an investigation of a kind referred to in paragraph (a)(i) or a matter being dealt with in accordance with paragraph (cb);
 - (d) to evaluate the practices, policies and procedures of inquiry agencies and public authorities with a view to advancing comprehensive and effective systems for preventing or minimising corruption, misconduct and maladministration in public administration;
 - (e) to conduct or facilitate the conduct of educational programs designed to prevent or minimise corruption, misconduct and maladministration in public administration;

- (f) to perform other functions conferred on the Commissioner by this or any other Act.

...

- (3) The Attorney-General may request the Commissioner to review a legislative scheme related to public administration and to make recommendations to the Attorney-General for the amendment or repeal of the scheme.

OPI functions

Section 17 of the ICAC Act sets out the functions of the OPI:

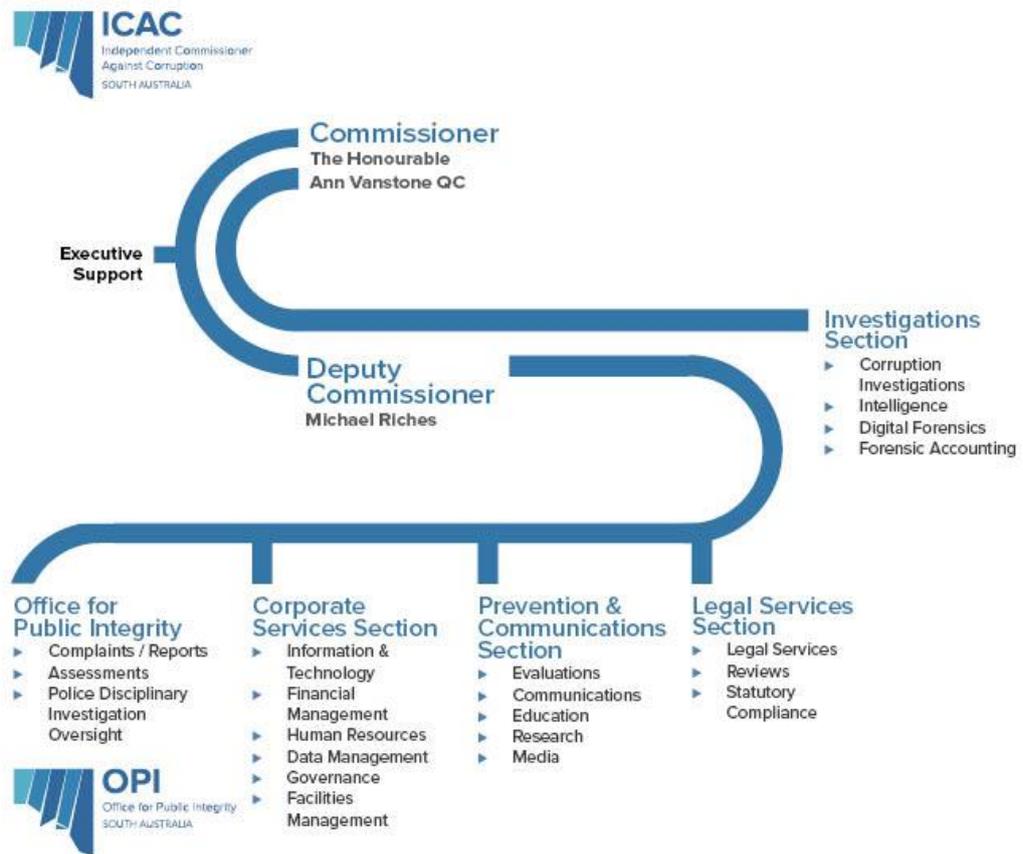
There is to be an Office for Public Integrity with the following functions:

- (a) to receive and assess complaints about public administration from members of the public;
- (b) to receive and assess reports about corruption, misconduct and maladministration in public administration from inquiry agencies, public authorities and public officers;
- (c) to refer complaints and reports to inquiry agencies, public authorities and public officers in circumstances approved by the Commissioner or make recommendations to the Commissioner in relation to complaints and reports;
- (d) to give directions or guidance to public authorities in circumstances approved by the Commissioner;
- (e) to perform any other functions assigned to the Office by the Commissioner or another Act.

The OPI also has functions prescribed by section 8 of the PCD Act:

- (a) to oversee the assessment and investigation of complaints and reports relating to designated officers; and
- (b) to oversee the operation and enforcement of this Act; and
- (c) to refer certain complaints and reports to the ICAC in accordance with this Act and the *Independent Commissioner Against Corruption Act 2012*; and
- (d) such other functions as assigned to the OPI under this Act.

Organisational structure



Changes to the agency

During 2020-2021 the following changes to the ICAC were made:

- the seven-year term of appointment of the Independent Commissioner Against Corruption, the Honourable Bruce Lander QC, ceased as of 1 September 2020
- the appointment by the Governor of the Honourable Ann Vanstone QC as Independent Commissioner Against Corruption commenced as of 2 September 2020
- the resignation of the Deputy Independent Commissioner Against Corruption effective as of 30 June 2021

ICAC/OPI Management team

Independent Commissioner Against Corruption

The Honourable Ann Vanstone QC

The Independent Commissioner Against Corruption is appointed in accordance with section 8 of the ICAC Act and is responsible for the functions outlined in the Act.

Deputy Independent Commissioner Against Corruption

Michael Riches – up to 30 June 2021

The Deputy Commissioner is appointed in accordance with section 9 of the ICAC Act and is responsible for assisting the ICAC as directed by the ICAC.

Director Investigations

Andrew Baker

The Director Investigations leads and manages the Investigations Section and provides critical advice and recommendations on operational matters to the ICAC. The Director Investigations reviews corruption investigations referred to other law enforcement agencies to ensure the quality and integrity of investigation outcomes.

Director Office for Public Integrity

Emily Lyons

The Director OPI leads and directs the strategic direction and operational performance of the OPI to ensure the effective and efficient discharge of legislative functions. The Director has a discretion to give directions to South Australia Police (SA Police) in respect of SA Police disciplinary investigations and acts as an escalation point for complex or highly sensitive complaints, reports or assessments about public administration.

Director Corporate Services

Vicki Tomlinson

The Director Corporate Services leads the corporate service operations of the ICAC and OPI including governance, financial management, human resources, information and technology, data management and facilities management.

Director Prevention and Communications

Tracy Riddiford

The Director Prevention and Communications leads the Prevention and Communications Section in the development and delivery of prevention and communication programs and functions, including evaluations, education, prevention driven research, communications and media engagement.

Director Legal Services

Rod Jensen

The Director Legal Services leads and manages the Legal Services Section in the provision of legal advice relating to the statutory functions of the ICAC and the OPI. The Director Legal Services exercises functions delegated by the Commissioner under the ICAC Act, including reviewing reports on investigations undertaken by public authorities where there is a direction to report back.

Legislation administered by the agency

The ICAC administers the following legislation:

Independent Commissioner Against Corruption Act 2012

The ICAC and the OPI have additional functions under the PCD Act as referred to above in relation to the OPI's functions.

The OPI is a relevant authority for the purposes of the *Public Interest Disclosure Act 2018* (PID Act) and can receive and must assess disclosures of public interest information.

All reports made to the OPI under the ICAC Act in relation to alleged corruption, misconduct or maladministration may constitute appropriate disclosures of public administration information and are dealt with in accordance with the PID Act. The OPI received 642 such reports during the reporting period.

The OPI also received one contact which it treated as a disclosure under the PID Act because it concerned an appropriate disclosure of environmental and health information.

Any person to whom an appropriate disclosure is made under the PID Act is obliged to provide the OPI with information regarding the disclosure. The OPI received 71 such notifications during the reporting period. A person who takes action in relation to an appropriate disclosure under the PID Act must also provide the OPI with information relating to the outcome of that action. The OPI received 20 such notifications during the reporting period.

Other related agencies

Judicial Conduct Commissioner

Employees from the office of the ICAC and OPI support the Independent Commissioner Against Corruption (the Commissioner) in her capacity as Judicial Conduct Commissioner appointed under the *Judicial Conduct Commissioner Act 2015* (JCC Act).

ICAC/OPI performance

Performance at a glance

The ICAC Act defines the objectives and functions of both the ICAC and the OPI. The ICAC and the OPI have additional functions under the PCD Act.

ICAC/OPI response to COVID-19

Not applicable.

ICAC/OPI contribution to whole of Government objectives

Not applicable.

Agency specific objectives and performance

See Reporting required under any other act or regulation.

Corporate performance summary

During the reporting period the organisation's workforce has remained consistent in the in number of persons, positions and full-time equivalent employee (FTE) numbers.

Total number of employees (as at June 30)¹	Current year 2020-21	Past year 2019-20	Change (+ / -)
Persons ²	71	75	-4
FTEs	66.7	70.3	-3.6

¹ While the Commissioner and the Deputy Commissioner have been included in the above tally but they are not employees of the ICAC.

² 'Persons' figures include casual employees whereas FTE figures do not.

Recruitment and separations

Recruitment continued to be a significant activity throughout the reporting period.

Number of persons	Current year 2020-21	Past year 2019-20	Change (+ / -)
Recruited to the agency	23	16	+7
Separated from the agency	27	16	+11

Employee turnover

Employee turnover has increased during the reporting period compared to previous periods. Although employee turnover may be considered high, the ICAC continues to attract talented employees who are committed to career progression.

Employee turnover	Current year 2020-21	Past year 2019-20
Persons ¹	37%	21.3%
FTEs	39.4%	24.4%

¹ 'Persons' figures include casual employees whereas FTEs figures do not.

Leave management

Sick leave and family leave per FTE has increased compared with the previous reporting periods.

Leave type (average days per FTE)	Current year 2020-21	Past year 2019-20
Sick leave per FTE	7.2	6.2
Family leave per FTE	1.4	1.2
Special leave with pay per FTE	0.8	1.0

Employment opportunity programs

The ICAC’s recruitment policy ensures that recruitment panels are as diverse as possible to ensure unbiased consideration of applicants. Recruitment panel members undertake training in recognising and managing unconscious bias.

Each applicant is encouraged to share any accessibility requirements to ensure adequate support and/or adjustments may be accommodated. The information is used to ensure a person with a disability can be accommodated throughout recruitment, placement, on-boarding and employment.

An integral part of the ICAC’s on-boarding process is for a qualified occupational therapist to undertake an assessment of the work required in consideration with an employee’s accessibility requirements to ensure every possible adjustment, equipment or flexibility is provided.

	Performance
Employment opportunity programs	The ICAC is a small agency with mostly specialist roles. As such ICAC has not been in a position to offer employment opportunity programs during this reporting period.
Flexible working	An important facilitator of equal access and opportunity is the ICAC’s continued commitment to flexible working arrangements. During 2020-21 ICAC employees have increased their uptake of flexible work options.

Agency performance management and development systems

Performance management and development system	Performance
Performance and potential review	83% of fully inducted employees completed a documented performance and potential review in November 2020 ¹ .
Performance and potential review discussion	70% of fully inducted employees completed a performance and potential review discussion in May 2021 ² .
Mentoring program	Five employees (7.5% of full-time equivalent employees) participated in the ICAC’s mentoring program during 2020-21 as either a mentor or a mentee.
Learning and Development Committee	0.87% of total salary expenditure was committed to providing training and development programs through the ICAC Learning and Development Committee and the Health and Wellbeing Committee during 2020-21.

¹ A small number of employees elected not to participate in the documented performance and potential review as they were either casual employees, on short term secondments or separating employees. Five employees were on extended leave and were not available to participate. The Commissioner and Deputy Commissioner do not participate in the performance and potential review program.

² A small number of employees elected not to participate in performance and potential review discussions as they were either casual employees, on short term secondments or separating employees. Six employees were on extended leave and were not available to participate. Ten were not completed. The Commissioner and Deputy Commissioner do not participate in the performance and potential review program.

Diversity and inclusion

In October 2020, the Commissioner published her Diversity and Inclusion Strategy 2020-24. The strategy has as a foundation the following three principles:

- understand diversity and foster inclusion
- build diversity and inclusion knowledge and capability
- be accountable for diversity and inclusion

Commitments within the strategy are directly aligned with the ICAC’s values of accountability, collaboration, excellence, independence, integrity and respect.

The commitments are:

- foster a culture of support, belonging, meaningful engagement and wellbeing
- respect and value every individual for the diversity of skills and experiences that they bring
- aim to be an employer of choice with the best people attracted, recruited, developed and retained
- treat each other respectfully, fairly, justly, reasonably and equitably without discrimination
- hold each other accountable for enabling inclusive practices and cultures

To ensure the strategy is applied broadly, the following diversity streams have been identified:

- gender identity
- LGBTIQ+
- disability
- Aboriginal and/or Torres Strait Islander people
- culturally and linguistically diverse
- age diversity

Disability access and inclusion plan

In October 2020 the Commissioner published her Disability Access and Inclusion Plan 2020-24.

The Plan is designed to proactively improve access and participation for people with disability and includes strategies to support people in the following areas:

- access to our premises, events and facilities
- access to information and communications
- employment
- addressing the specific needs of people with disability in the delivery of our statutory functions

Deliverables within the plan are grouped under the following themes:

- inclusive communities for all
- leadership and collaboration
- accessible communities
- learning and employment

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-workforce-statistics>

Work health, safety and return to work programs

Program name	Performance
Work health and safety/return to work programs	There has been no requirement for a work health and safety and/or return to work program during 2020-21 to address significant agency risks.
Employee assistance program	The employee assistance program continued to provide support to employees and their immediate families with informal and strictly confidential short-term counselling services.
Mental health	The ICAC Health and Wellbeing Committee and the Learning and Development Committee are committed to providing sessions intended to increase awareness and understanding of mental health. This included the provision of resilience training and mindfulness training during 2020-21.

Workplace injury claims	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Total new workplace injury claims	0	0	0
Fatalities	0	0	0
Seriously injured workers*	0	0	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0

**number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)*

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2020-21 ANNUAL REPORT for the Independent Commissioner Against Corruption and Office for Public Integrity

Work health and safety regulations	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	0	0
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	0

Return to work costs**	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Total gross workers compensation expenditure (\$)	0	0	0
Income support payments – gross (\$)	0	0	0

**before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-work-health-and-safety-and-return-to-work-performance>

Executive employment in the agency

Executive classification	Number of executives as at 30 June 2021	Number of executives based on actual remuneration
CONAGD ¹	2	3
SAES1	4	4
INV4	1	1
INV3	2	2
INV2	1	1
ASO803	1	1
Total	11	12

¹ While the former and current Commissioner and the Deputy Commissioner have been included in the above tally, they are not employees of the ICAC.

Executive classification is based on a total remuneration package value in excess of \$154,000 per annum.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-executive-employment-in-the-agency>

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2020-2021 are attached to this report.

Statement of Comprehensive Income	2020-21 Budget \$000s	2020-21 Actual \$000s	Variation \$000s	Past year 2019-20 Actual \$000s
Total Income	14,195	14,205	10	19,615
Total Expenses	14,195	13,955	(240)	15,387
Net Result	0	250	(250)	4,228
Total Comprehensive Result	0	250	(250)	4,228

Statement of Financial Position	2020-21 Budget \$000s	2020-21 Actual \$000s	Variation \$000s	Past year 2019-20 Actual \$000s
Current assets	8,946	11,483	2,537	11,588
Non-current assets	6,078	2,669	(3,409)	3,575
Total assets	15,024	14,152	(872)	15,163
Current liabilities	2,714	2,006	(708)	2,507
Non-current liabilities	1,684	787	(897)	1,547
Total liabilities	4,398	2,793	(1,605)	4,054
Net assets	10,626	11,359	733	11,109
Equity	10,626	11,359	733	11,109

Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
Rider Levett Bucknall SA Pty Ltd	Cost management services	\$2,000.00
Rider Levett Bucknall SA Pty Ltd	Cost management services	\$3,985.00
The A & G Materne Family Trust and C & C Pennino Family Trust	Architectural services	\$864.00
The A & G Materne Family Trust and C & C Pennino Family Trust	Architectural services	\$3,600.00
The A & G Materne Family Trust and C & C Pennino Family Trust	Architectural services	\$4,820.00
The A & G Materne Family Trust and C & C Pennino Family Trust	Architectural services	\$4,900.00
The A & G Materne Family Trust and C & C Pennino Family Trust	Architectural services	\$4,970.00
System Solutions Engineering Pty Ltd	Engineering services	\$1,600.00
System Solutions Engineering Pty Ltd	Engineering services	\$2,475.00
System Solutions Engineering Pty Ltd	Engineering services	\$5,500.00
	Total	\$34,714.00

Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
CyberCX Pty Ltd	Security assessment	\$26,200.00
The RG Group Pty Ltd	Concept and architectural services	\$12,500.00
	Total	\$38,700.00

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-consultants-disclosure>

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Legal services disclosure

The following is a summary of external legal services engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Legal services with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
Crown Solicitor's Office	Maladministration investigation	\$1,331.90
Robert Whittington QC, Barrister	Corruption investigation	\$1,335.00
Robert Whittington QC, Barrister	Maladministration investigation	\$3,250.00
Thomas Besanko, Barrister	Corruption investigation	\$5,670.00
	Total	\$11,586.90

Legal services with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
Adam Kimber SC, Barrister	Maladministration investigation	\$22,758.00
Charles Abbott QC, Barrister	Corruption investigation	\$63,990.00
Damian O’Leary, Barrister	Corruption investigation	\$58,344.40
Dentons Australia Limited	Corruption investigation	\$69,467.73
Helen Luu, Barrister	Maladministration investigation	\$36,036.00
Robert Whittington QC, Barrister	Corruption investigation	\$10,250.00
	Total	\$260,846.13

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-legal-services-disclosure>

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
David Mark Reimers	Procurement support	\$840.00
David Mark Reimers	Information technology support	\$5,565.00
Dunn Transcripts Pty Ltd	Maladministration investigation	\$2,630.49
	Total	\$9,035.49

Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment
John Dunnery	Procurement support	\$19,612.50
Kirstie Wyatt	Desktop publishing services	\$21,827.85
KPP Ventures Pty Ltd T/A Careerlink People Solutions	Temporary Senior Governance Officer	\$23,210.82
Paxus Australia Pty Limited	Temporary Administration Officer	\$14,828.25
Paxus Australia Pty Limited	Temporary Administration Officer	\$18,305.62
Paxus Australia Pty Limited	Temporary Data Management Officer	\$22,629.45
Randstad Pty Limited	Temporary Senior Governance Officer (Procurement)	\$24,435.20
Randstad Pty Limited	Temporary HR and Recruitment Officer	\$27,241.18
	Total	\$172,090.87

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-contractor-disclosure>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Risk management

Risk and audit at a glance

Protective security

In accordance with the South Australian Protective Security Framework, the ICAC has completed an annual security attestation. The attestation reports on the ICAC's security maturity.

Security plan

The ICAC's draft security plan has been developed from the protective security maturity assessment carried out in the reporting period 2019-20.

The draft security plan sets out the following objectives:

- determine and document the agency's alignment with the South Australian Protective Security Framework and where applicable the Protective Security Policy Framework
- identify the agency's valuable security assets, including people, physical, system, software, information and third parties
- review the agency's risk management process
- perform a gap analysis
- document findings and recommend next steps

Review of risk governance

In March 2021 the ICAC engaged an independent auditor¹ to review its internal governance framework and risk management framework. In June 2021, the results of the audit were presented in a report with recommendations.

The recommendations articulated opportunities to improve risk management and risk related governance within the agency and will be considered in the next reporting period.

¹ Al Nero Trading Trust & Others (Bentleys)

Fraud detected in the agency

Number of instances and nature of fraud detected in the agency: 0

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

The ICAC's Unacceptable Conduct Control Policy is reviewed annually and provides the framework to minimise opportunities for unacceptable conduct and to maximise the potential for such conduct to be detected.

The Unacceptable Conduct Control Policy captures conduct that extends beyond 'fraud and corruption' to any conduct that involves corruption, misconduct or maladministration in public administration.

The ICAC has undertaken an unacceptable conduct risk assessment as part of its unacceptable conduct control plan. The risk assessment included risks related to financial management and details controls that are in place to mitigate those risks.

Other controls that effectively control and prevent fraud include centralised management of procurement, contract management plans for complex and/or high value agreements and an annual financial management compliance program.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-fraud-detected-in-agency-disclosure>

Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*: 0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-whistleblowers-disclosure>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(i) Report the number and general nature of complaints and reports received by the Office.

The OPI is the public face of the ICAC’s operations and is the starting point for all complaints and reports made under the ICAC Act. Complaints are made to the OPI by members of the public and reports are made by inquiry agencies, public authorities and public officers.

In 2020-21 the OPI received 1,238 new complaints and reports under the ICAC Act. Fifty-four complaints and reports received by the OPI were subsequently ‘split’ into matters to be dealt with under both the ICAC Act and the PCD Act. These matters have been counted in complaint and report figures under each Act.

Complaints and reports received under the ICAC Act	Current year 2020-21	Past year 2019-20	Change (+ / -)
Complaints	596 (48.1%)	495 (39.4%)	+101
Reports	642 (51.9%)	762 (60.6%)	-120
Total	1,238	1,257	-19

Of the 1,238 complaints and reports received under the ICAC Act, 40 were identified as duplicates (14 complaints and 26 reports). A duplicate relates to subject matter that has been raised on more than one occasion. The OPI ordinarily cross references duplicate complaints and reports and deals with them as a single matter.

There was a 1.5% decrease in the total number of complaints and reports received under the ICAC Act during the reporting period.

During the reporting period the OPI also received and responded to 1,059 enquiries and 186 contacts in relation to matters which did not fall within the ICAC’s jurisdiction.

Subject of complaints and reports received under the ICAC Act	Complaints 2020-21	Reports 2020-21	Total 2020-21
Ombudsman	2	1	3
Local Government	112	141	253
Member of Parliament	35	14	49
Statutory Authority	112	99	211
State Government	334	386	720
Private / unknown	1	1	2
Total	596	642	1,238

Complaints and reports were made to the OPI in a variety of ways:

Method of receipt of complaints and reports received under the ICAC Act	Current year 2020-21	%
Website	685	55.3
Telephone call	306	24.7
Email	157	12.7
Letter	73	5.9
In person	17	1.4
Total	1,238	100

General nature of complaints and reports received under the ICAC Act²	Complaints 2020-21	Reports 2020-21	Total 2020-21
Bribery/inducements	7	19	26
Coercion/extortion	2	3	5
Conduct in private capacity, failure to disclose/declare to employer	9	32	41
Environmental and health	2	2	4
Excessive force/assault/intimidation/threats	17	22	39
Failure of duty, inaction or inadequate exercise of power	164	37	201
Improper budgeting, procurement, contract management, accounts payable	28	45	73
Improper or unauthorised use of employment entitlements	12	45	57
Improper recruitment/deception in employment	13	57	70
Improper use, damage or theft of resources	10	27	37
Improper use/access of information and improper record keeping	46	76	122
Improper votes/decision making	52	27	79
Improper, unauthorised or mismanaged exercise of power	91	40	131
Negligence in management/oversight	12	42	54
Not otherwise categorised	6	0	6

² On 1 July 2020 the OPI introduced a new 'general nature' classification scheme replacing the previous categories which were devised prior to the commencement of ICAC/OPI in September 2013, and had been in use since that date. The reformed scheme was devised and implemented in response to several reviews of the use, accuracy and reliability of internal complaints and reports data, which found the previous scheme was no longer fit for purpose. The efficacy of these categories is relied upon for internal research, trend and risk analysis, strategic planning, and corruption prevention.

General nature of complaints and reports received under the ICAC Act continued	Complaints 2020-21	Reports 2020-21	Total 2020-21
Other criminal conduct while acting in capacity as a public officer	5	30	35
Sexual harassment/sexual impropriety	13	34	47
Theft and fraud – monetary	7	21	28
Unprofessional conduct	93	79	172
Victimisation/reprisals for reporting	7	4	11
Total	596	642	1,238

Assessments

During the reporting period the OPI assessed 1,199 complaints and reports under the ICAC Act comprising 1,821 separate issues. Of those complaints and reports, 1,108 were received in the 2020-21 financial year and 91 were received in a previous year. The assessments undertaken by the OPI comprised 589 complaints (49.1%) and 610 reports (50.9%).

As at 30 June 2021, 84 matters (32 complaints and 52 reports) received during the financial year were awaiting assessment.

One of the OPI’s key performance indicators is the registration and acknowledgement of complaints and reports within an average of two working days.

This financial year, complaints and reports were registered, on average, in approximately one working day.

The length of time taken to assess a matter depends on a range of factors including:

- the number and complexity of the issues raised
- the volume and clarity of the information provided
- whether further information was required from the complainant, reporter or an external agency and, if so, the time taken to receive that information
- workload and staffing factors

The OPI strives to assess all complaints and reports in an average of 25 days. This financial year complaints and reports were assessed on average in 18.5 working days.

The OPI decided the outcomes of a complaint or report on 851 occasions (71.0% of all assessment decisions). All other complaints and reports were assessed by the OPI and referred to the Commissioner or the Commissioner’s delegate for determination.

Where the OPI made a recommendation to the Commissioner or the Commissioner’s delegate, 84.7% of those recommendations were accepted, exceeding the key performance indicator of 80%.

Own initiative

In addition to the 1,238 complaints and reports received under the ICAC Act during the reporting period, 22 matters were commenced by the Commissioner on the Commissioner’s own initiative. Eight of those matters progressed to a corruption investigation: three were assessed as raising ‘some other issue’ and referred to a public authority; two were assessed as raising a potential issue of misconduct or maladministration and referred to a public authority; and no further action was taken on nine matters.

No further action

The Commissioner or the OPI may determine to take no further action when a matter is assessed as:

- trivial, vexatious or frivolous
- having been dealt with by an inquiry agency or public authority and where there is no good reason to re-examine the matter
- there being other good reason for taking no further action.

During the reporting period, 824 complaints and reports received under the ICAC Act and nine matters commenced on the Commissioner’s own initiative were determined as requiring no further action. A further 14 matters (two complaints and 12 reports) which were initially assessed as raising a potential issue of misconduct or maladministration were reassessed as requiring no further action following comments from the public authority or inquiry agency about the proposed referral.

No further action	Current year 2020-21	Past year 2019-20
Reports	350 (42.0%)	324 (45.4%)
Complaints	474 (56.9%)	388 (54.4%)
Own initiative	9 (1.1%)	1 (0.1%)
Total	833	713

Recontacts

Where a person recontacts the OPI because that person is dissatisfied with the decision made in relation to his or her complaint or report, the file/matter is reviewed by the OPI and referred to the Commissioner or Deputy Commissioner for determination as to whether the complaint or report ought to be reassessed.

During the reporting period the OPI received 180 recontacts in relation to 154 complaints and reports. The OPI reviewed a further ten recontacts which were received in the previous reporting period.

During the reporting period, 92 matters were substantively reviewed following a recontact (including five matters carried over from the previous reporting period). As a result, nine complaints and reports were reassessed. A decision was made to take no further action in relation to the remaining recontacts.

There were 77 occasions where the OPI determined to take no action on a recontact in the absence of a formal/detailed review. Such a review was not required because the recontact did not include any substantive information.

As at 30 June 2021 there were 16 outstanding recontacts.

Act or Regulation	Requirement
<i>Police Complaints and Discipline Act 2016</i>	Section 31(1) Report on the number and general nature of sanctions imposed under section 26 in relation to breaches of discipline in the preceding financial year.

Complaints and reports about the conduct of a SA Police officer can be made to a designated officer, a police public servant or to the OPI. A report under the PCD Act is made by a designated officer who reasonably suspects that another designated officer has engaged in conduct that constitutes corruption, misconduct or maladministration in public administration (a 'police report'). A complaint about the conduct of a designated officer may be made by or on behalf of an aggrieved person (a 'police complaint').

Where a complaint or report about police has been made directly to the OPI, the matter will be reviewed to determine whether the issues raised ought to be referred to the Commissioner. All other complaints and reports are referred to the SA Police Internal Investigation Section (IIS). Complaints or reports made directly to SA Police are also referred to the IIS.

The IIS assesses all complaints and reports received and notifies the OPI of any matter assessed as raising a potential issue of corruption. The OPI reviews assessments undertaken by the IIS and is empowered to substitute its own assessment following a consultation process. The IIS is obliged to deal with the complaint or report in accordance with the OPI's substituted assessment.

Following an assessment by the IIS, a complaint or report may be referred for investigation or management resolution by SA Police or may result in no further action being taken.

Where a complaint or report is investigated by SA Police, the OPI will oversee that investigation and is empowered to give directions as to the conduct of that investigation.

Where an officer has been found to have breached the applicable Code of Conduct, sanctions can be imposed by the Commissioner of Police. Neither the ICAC nor the OPI has any role in making findings in relation to a breach of discipline by a designated officer nor the sanctions imposed.

Complaints and reports

The PCD Act defines reports as being made by designated officers (i.e. police officers, police cadets and special constables) and complaints as being made by anyone other than a designated officer.

Between 1 July 2020 and 30 June 2021 the OPI received or registered 2,413 complaints and reports under the PCD Act: 1,616 matters received directly by the OPI and 797 matters received by the IIS. Three of those matters were later marked as duplicates.

The OPI received 79.9% of all complaints made under the PCD Act while SA Police received 94.5% of all reports made under the PCD Act.

Complaints and reports received under the PCD Act	Received by IIS 2020-21	Received by OPI 2020-21	Total
Complaints	400	1,593	1,993
Reports	397	23	420
Total	797	1,616	2,413

In the reporting period the OPI received police complaints and police reports in the following ways:

Method of receipt of complaints or reports under the PCD Act	Current year 2020-21	%
Website	600	24.9
Telephone call	734	30.4
Email	152	6.3
Letter	114	4.7
In person	16	0.7
Received by Internal Investigation Section	797	33.0
Total	2,413	100

General nature of complaints and reports received under the PCD Act³	Complaints 2020-21	Reports 2020-21	Total 2020-21
Bribery/inducements	4	2	6
Coercion/extortion	5	0	5
Conduct in private capacity, failure to disclose/declare to employer	41	42	83
Excessive force/assault/intimidation/threats	231	41	272
Failure of duty, inaction or inadequate exercise of power	706	96	802
Improper budgeting, procurement, contract management, accounts payable	2	0	2
Improper or unauthorised use of employment entitlements	9	15	24
Improper recruitment/deception in employment	0	7	7
Improper use, damage or theft of resources	9	8	17
Improper use/access of information and improper record keeping	78	44	122
Improper votes/decision making	7	3	10
Improper, unauthorised or mismanaged exercise of power	289	35	324
Negligence in management/oversight	23	9	32
Not otherwise categorised	21	2	23
Other criminal conduct while acting in capacity as a public officer	17	10	27

³ On 1 July 2020 the OPI introduced a new 'general nature' classification scheme replacing the previous categories which were devised prior to the commencement of ICAC/OPI in September 2013, and had been in use since that date. The reformed scheme was devised and implemented in response to several reviews of the use, accuracy and reliability of internal complaints and reports data, which found the previous scheme was no longer fit for purpose. The efficacy of these categories is relied upon for internal research, trend and risk analysis, strategic planning, and corruption prevention.

General nature of complaints and reports received under the PCD Act continued	Complaints 2020-21	Reports 2020-21	Total 2020-21
Sexual harassment/sexual impropriety	8	18	26
Theft and fraud – monetary	13	4	17
Unprofessional conduct	530	84	614
Victimisation/reprisals for reporting	0	0	0
Total	1,993	420	2,413

Protective Security Officers

The PCD Act amended the *Protective Security Act 2007* to give the OPI the power to direct the Commissioner of Police, or a resolution officer in relation to the handling of breaches of the Code of Conduct for Protective Security Officers.

During the reporting period the OPI oversaw the handling of 13 matters concerning alleged breaches of the Code of Conduct for Protective Security Officers. The OPI did not issue any directions in relation to the handling of those matters.

Assessment reviews

The OPI reviewed 2,326 complaints and reports assessed by the IIS under section 14 of the PCD Act. This includes a number of complaints and reports carried over from the previous reporting period.

Complaints and reports reviewed under the PCD Act	Current year 2020-21	%
Police complaints	1,914	82.3
Police reports	412	17.7
Total	2,326	100

The OPI consulted with the IIS in respect of its assessment of a complaint or report on 43 occasions. Following consultation, the OPI substituted its assessment for that of the IIS on five occasions. On the remaining occasions, either the OPI accepted the views expressed by the IIS during the consultation process and determined not to reassess the matter, or the IIS determined to amend its assessment of its own accord.

The OPI referred eight complaints and reports to the Independent Commissioner Against Corruption under section 29 of the PCD Act.

Review of conduct investigations

The OPI reviewed 202 conduct investigations commenced by SA Police between 1 July 2020 and 30 June 2021.

Section 27 of the PCD Act empowers the OPI to give directions to the Commissioner of Police, the IIS or a police officer assisting in an IIS investigation as the OPI thinks fit.

During the reporting period the OPI gave one direction under section 27 of the PCD Act. That direction was given to the IIS.

Sanctions imposed under the PCD Act

Section 31 of the PCD Act provides that the Commissioner of Police must, before 30 September in each year, prepare a report on the number and general nature of sanctions imposed under section 26 of the PCD Act for breaches of discipline in the preceding financial year.

The requirement to prepare the report on sanctions does not extend to requiring the Commissioner of Police to provide an opinion as to the appropriateness of any sanction or consistency across sanctions.

The Commissioner of Police has provided the following tables outlining the breaches identified and the sanctions imposed.

Sanctions that may be imposed by the Commissioner of Police are found in those regulations that were in force at the time the breach of the Code of Conduct occurred. The Code of Conduct prescribed by Schedule 3 of the *Police Complaints and Discipline Regulations 2017* has been in effect since 4 September 2017 and is preceded by Codes of Conduct prescribed by the *Police Regulations 1999* and the *Police Regulations 2014*.

Officers may be sanctioned for breaches occurring under different regulations. It can take time for alleged breaches to be appropriately resolved and a sanction(s) applied.

1 July 2020 to 30 June 2021:

SAPOL reference No.	General Nature Section 26(1)(a) PCD Act 'Criminal Offences'	Sanctions Imposed by Sentencing Officer
12	Criminal - Drug Offence	Employment Terminated
18	Criminal - Fraud Offence	Employment Terminated
19	Criminal - Offence Against the Person	Employment Terminated

1 July 2020 to 30 June 2021:

SAPOL reference No.	General Nature Section 26(1)(b) and (c) PCD Act 'Code of Conduct' Police Complaints and Discipline Regulations 2017	Sanctions Imposed by Sentencing Officer
1	Clause 7 Conduct Public/ SAPOL - Oppressive, offensive, abusive	Fine/Recorded Reprimand/Transfer
2	Clause 3 Conduct Prejudicial - Good Order and Discipline	Recorded Reprimand
3	Clause 6 Proper Exercise of Authority - Excessive Force	Fine/Recorded Reprimand
4	Clause 4 Performance of Orders / Duties - Failure to carry out a lawful order	Transfer/Administrative Order - Penalty Officer ⁴
5	Clause 3 Conduct Prejudicial - Good Order and Discipline Clause 4 Performance of Orders/Duties - Failure to carry out a General Order	Fine/Recorded Reprimand
7	Clause 10 Confidentiality of Information - Improper Release/Access	Fine/Recorded Reprimand

⁴ A penalty officer is a member of the SAPOL Executive Leadership Team who is delegated by the Commissioner of Police to take action under section 26 of the PCD Act.

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2020-21 ANNUAL REPORT for the Independent Commissioner Against Corruption and Office for Public Integrity

SAPOL reference No.	General Nature Section 26(1)(b) and (c) PCD Act 'Code of Conduct' Police Complaints and Discipline Regulations 2017 continued	Sanctions Imposed by Sentencing Officer
8	Clause 3 Conduct Prejudicial - Good Order and Discipline Clause 4 Performance of Orders / Duties - Disobey Orders	Fine/Recorded Reprimand
9	Clause 7 Conduct Public/SAPOL - Conduct towards employee	Fine/Training and Education/Transfer
10	Clause 5 Negligence - Neglect of Duty	Fine/Recorded Reprimand
11	Clause 10 Confidentiality of Information - Improper Release/Access	Fine/Recorded Reprimand
12	Clause 3 Conduct Prejudicial - Reflects Adversely	Employment Terminated
13	Clause 3 Conduct Prejudicial - Good Order and Discipline Clause 11 Responsibility for Property - Fail to comply Property General Order	Fine/Training and Education/Transfer/ Administration Order - Penalty Officer
15	Clause 10 Confidentiality of Information - Improper Release/Access	Fine/Recorded Reprimand
16	Clause 7 Conduct Public/SAPOL - Conduct towards public Clause 10 Confidentiality of Information - Improper Release/Access	Fine/Recorded Reprimand Fine
17	Clause 2 Honesty and Integrity - Integrity	Fine

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2020-21 ANNUAL REPORT for the Independent Commissioner Against Corruption and Office for Public Integrity

1 July 2020 to 30 June 2021:

SAPOL reference No.	General Nature Section 26 (1)(b) and (c) PCDA 'Code of Conduct' Police Complaints and Discipline Regulations 2014	Sanctions Imposed by Sentencing Officer
6	Regulation 20 Confidentiality of Information - Improper Disclosure of Information (2 counts) Regulation 20 Confidentiality of Information -Improper Release/Access (6 counts)	Fine/Recorded Reprimand
14	Regulation 13 Conduct Prejudicial - Good Order and Discipline	Recorded Reprimand

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(ii) Report the number and general nature of matters investigated by the Commissioner.

A primary object of the ICAC Act is to identify and investigate corruption in public administration.

The ICAC Act defines corruption in public administration to include a range of criminal offences committed by a public officer in his or her capacity as a public officer. A matter assessed as raising a potential issue of corruption in public administration can be investigated by the ICAC, referred to SA Police or another law enforcement agency, or investigated jointly with another law enforcement agency or public authority.

Corruption investigations are by definition criminal investigations. The purpose of such an investigation is to collect evidence and where appropriate, to refer the matter for prosecution.

During 2020-21 the ICAC commenced 30 new corruption investigations. Two of those investigations were commenced as a result of a complaint or report received in the previous financial year. One investigation was conducted as a joint investigation with another agency.

General nature of investigations commenced during the financial year

General nature	Current year 2020-21	%
Abuse of power for personal or financial gain	14	46.7
Abuse of power re contract/tender/procurement	2	6.7
Assault	1	3.3
Theft/misappropriation/fraud/deception	11	36.7
Improper use and/or disclosure of information/systems	2	6.7
Total	30	100.1

Rounding has been used in respect of statistical results. Accordingly not all tables and figures total 100%.

There were 25 investigations commenced in a previous year which were continued during 2020-21.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(iii) Report the number of warrants issued by the Commissioner and by judges of the Supreme Court.

The ICAC Act and other state and federal legislation invests the Commissioner and the Commissioner’s investigators with a range of statutory powers that can be utilised to carry out corruption investigations. Those ICAC investigators who are police officers undertaking a secondment to the ICAC, carry with them police powers, including general search warrants and the power of arrest.

The numbers of warrants issued by the ICAC and by Judges of the Supreme Court are:

Investigative powers	Current year 2020-21	Past year 2019-20	Change (+ / -)
Search warrants issued by the ICAC	0	0	0
Search warrants issued by a Judge of the Supreme Court	14	25	-11
Total warrants	14	25	-11

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(iv) Report the number of examinations conducted.

The number of examinations conducted during the 2020-21 financial year is:

Examinations	Current year 2020-21	Past year 2019-20	Change (+ / -)
Examinations	6	7 ¹	-1

¹ This figure does not include instances where evidence was taken from witnesses in exercise powers matters. Those are dealt with separately in this report.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(v) Report the extent to which investigations have resulted in prosecutions or disciplinary action.

Upon a review of evidence collected during the course of an investigation the Commissioner will determine whether to refer a matter for prosecution. Where the ICAC considers there is insufficient evidence to refer the matter, the ICAC will either close the file or, where there may be evidence of misconduct or maladministration, the ICAC will consider whether to refer the matter to an inquiry agency (i.e. the Ombudsman) or a public authority. In some circumstances of potentially serious or systemic misconduct or maladministration, the ICAC can choose to investigate the matter.

While corruption investigations are often complex and can be protracted, every effort is made to meet performance benchmarks. One of those benchmarks is the completion of 70% of all corruption investigations within 12 months of allocation through to the file closure. File closure is considered to be the time that the Commissioner agrees with and accepts the investigator’s final recommendation. That benchmark was met this year: 31 of the 39 corruption investigations (79.5 %) closed during 2020-21 were completed within 12 months of allocation.

During 2020-21, six investigations were referred to the Director of Public Prosecutions. The Director determined to commence a prosecution in respect of five of those matters, and one additional matter that had been referred in the previous reporting period.

As at 30 June 2021, the remaining matter referred to the Director in the 2020-21 financial year was awaiting a determination by the Director.

During the reporting period 10 persons were charged with corruption offences while four matters before the courts were finalised. One matter was referred to a public authority to consider disciplinary action following a corruption investigation.

During 2020-21, five persons previously the subject of an ICAC corruption investigation and subsequent prosecution were sentenced by the courts.

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Name	Sentencing date	Sentence
Abigail Foulkes	4 December 2020	Convicted and placed on a bond in the amount of \$200 to be of good behaviour for a period of 12 months.
Melanie Freeman	4 December 2020	No conviction recorded. Condition of a simple bond in the amount of \$100 to be of good behaviour for a period of 12 months.
Dale Heard	11 March 2021	Convicted and placed on a bond in the amount of \$500 to be of good behaviour for a period of two years.
Robert Harrap	Resentenced 14 April 2021	Sentenced to imprisonment for 21 months, with a non-parole period of 12 months.
Catherine Moyse	Resentenced 14 April 2021	Conviction recorded and ordered to pay a fine of \$6,000.

More information is available on the ICAC website <https://icac.sa.gov.au/prosecution-outcomes>

At the completion of every investigation a comprehensive internal debrief is conducted to identify opportunities to improve investigation processes. A key benchmark is to conduct investigation debriefs within 20 days of completion of the investigation. During the reporting period 75% of investigation debriefs met this benchmark. Some investigation debriefs did not occur within the benchmark period due to investigators being on leave and complications resulting from the Coronavirus pandemic. During the reporting period investigation debriefs were conducted on all closed investigations.

Corruption investigations often uncover weaknesses in an agency's practices, policies and procedures. Where there is an opportunity to provide feedback and recommendations to the agency, the agency head is provided relevant information and on occasion, a face-to-face debrief with the Commissioner and investigators.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(vi) Report the number and general nature of matters referred for investigation to the Commissioner of Police or other law enforcement agency.

During the 2020-21 reporting period the Commissioner referred two complaints, 25 reports and two own initiative matters to SA Police for investigation. A further two matters (both reports) received under the PCD Act were assessed as raising a potential issue of corruption and were referred to SA Police for investigation.

The general nature of matters referred to SA Police for investigation for the 2020-21 financial year were:

General nature	Current year 2020-21	%
Abuse of power for personal or financial gain / Bribery	11	35.5
Assault	5	16.1
Theft / misappropriation / fraud / deception	7	22.6
Dishonest dealings with documents	4	12.9
Miscellaneous	3	9.7
Offences associated with the use, sale or supply of prescription and/or illicit drugs	1	3.2
Total	31	100

The Commissioner has been advised by SA Police that during 2020-21, 10 prosecutions and four disciplinary investigations were commenced following referral.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(vii) Report the number and general nature of occasions on which public statements have been made by the Commissioner.

The Commissioner typically does not comment on operational matters. However, if the Commissioner feels it is in the public interest to do so the Commissioner has the discretion to issue a public statement. News and announcements in respect of non-operational matters are published by way of a media release.

The Commissioner issued 11 public statements this financial year and four media releases. ICAC staff engaged with the media on 153 occasions.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(viii) Report the number and general nature of matters referred to an inquiry agency or public authority.

Where a matter is assessed as raising a potential issue of misconduct or maladministration in public administration the Commissioner or the OPI may either:

- refer the matter to an inquiry agency
- refer the matter to a public authority

During the reporting period 213 complaints, reports and own initiative matters assessed as raising potential issues of misconduct and/or maladministration in public administration were referred to an inquiry agency or public authority for investigation.

Referral of matters to an inquiry agency

The ICAC Act defines an inquiry agency to be the South Australian Ombudsman, or any other person declared by regulation to be an inquiry agency. No persons are currently declared by regulation to be an inquiry agency. Neither the Commissioner nor the OPI can issue an inquiry agency with directions or guidance in respect of a referral.

The number of referrals to an inquiry agency for 2020-21:

Referral to inquiry agency (Ombudsman)	Current year 2020-21	Past year 2019-20	Change (+ / -)
Complaints	4	3	+1
Reports	22	34	-12
Own initiative	0	1	-1
Total	26	38	-12

The general nature of matters referred to an inquiry agency were:

General nature of matters referred to inquiry agency (Ombudsman)⁵	Current year 2020-21	%
Conduct in private capacity, failure to disclose/declare to employer	2	7.7
Excessive force/assault/intimidation/threats	1	3.8
Failure of duty, inaction or inadequate exercise of power	4	15.4
Improper budgeting, procurement, contract management, accounts payable	4	15.4
Improper use, damage or theft of resources	1	3.8
Improper use/access of information and improper record keeping	7	26.9
Improper votes/decision making	5	19.2
Improper, unauthorised or mismanaged exercise of power	2	7.7
Total	26	99.9

Rounding has been used in respect of statistical results. Accordingly not all tables and figures total 100%.

⁵ On 1 July 2020 the OPI introduced a new 'general nature' classification scheme replacing the previous categories which were devised prior to the commencement of ICAC/OPI in September 2013, and had been in use since that date. The reformed scheme was devised and implemented in response to several reviews of the use, accuracy and reliability of internal complaints and reports data, which found the previous scheme was no longer fit for purpose. The efficacy of these categories is relied upon for internal research, trend and risk analysis, strategic planning, and corruption prevention.

Referral of matters to a public authority

The number of referrals to a public authority for 2020-21:

Referrals to public authority	Current year 2020-21	Past year 2019-20	Change (+ / -)
Complaints	32	29	+3
Police report	0	1	-1
Police complaint	0	0	0
Reports	153	238	-85
Own initiative	2	1	+1
Total	187	269	-82

The general nature of matters referred to public authority for 2020-21:

General nature⁶	Current year 2020-21	%
Bribery/inducements	1	0.5
Conduct in private capacity, failure to disclose/declare to employer	6	3.2
Excessive force/assault/intimidation/threats	13	7.0
Failure of duty, inaction or inadequate exercise of power	19	10.2
Improper budgeting, procurement, contract management, accounts payable	16	8.6
Improper or unauthorised use of employment entitlements	21	11.2

⁶ On 1 July 2020 the OPI introduced a new 'general nature' classification scheme replacing the previous categories which were devised prior to the commencement of ICAC/OPI in September 2013, and had been in use since that date. The reformed scheme was devised and implemented in response to several reviews of the use, accuracy and reliability of internal complaints and reports data, which found the previous scheme was no longer fit for purpose. The efficacy of these categories is relied upon for internal research, trend and risk analysis, strategic planning, and corruption prevention.

General nature continued	Current year 2020-21	%
Improper recruitment/deception in employment	11	5.9
Improper use, damage or theft of resources	6	3.2
Improper use/access of information and improper record keeping	28	15.0
Improper votes/decision making	9	4.8
Improper, unauthorised or mismanaged exercise of power	10	5.3
Negligence in management/oversight	7	3.7
Other criminal conduct while acting in capacity as a public officer	3	1.6
Sexual harassment/sexual impropriety	13	7.0
Theft and fraud – monetary	6	3.2
Unprofessional conduct	18	9.6
Total	187	100

‘Some other issue’ referrals

On occasion a complaint or report will raise issues that ought to be referred to an inquiry agency, public authority or public officer even though the complaint or report does not raise a potential issue of corruption, misconduct or maladministration in public administration. In such cases the Commissioner or the OPI can refer the matter as ‘some other issue’.

During the reporting period, 110 matters assessed as raising some other issue were referred to a public authority or public officer. Those matters comprised 61 complaints, 46 reports and three own initiatives. A further 12 complaints and three reports were assessed as raising some other issue and were referred to the Ombudsman, in his capacity as an inquiry agency.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(ix) Report the number and general nature of directions or guidance given in referring matters under the ICAC Act.

A matter assessed as raising a potential issue of misconduct or maladministration may be referred to a public authority. The Commissioner or the OPI can issue directions or guidance in respect of a referral.

Factors considered by the Commissioner or the OPI in deciding whether to issue directions or guidance include:

- whether the alleged conduct is considered serious or systemic
- whether there are questions as to the capability of the public authority to fully and properly conduct an investigation and take appropriate action
- whether the alleged conduct involves a public officer in a senior position or the alleged conduct involves a decision with significant consequences for an individual or the community at large
- where in all of the circumstances there are other good reasons to issue directions or guidance.

Of the 187 matters referred to a public authority during the financial year, 78 matters were referred to a public authority with directions. Those directions included a requirement that the public authority undertake an investigation and submit a report to the ICAC within a specific timeframe, outlining the investigation conducted and any action taken as a result of the investigation. The remaining 109 matters were referred to public authorities without any directions or guidance.

Where a referral to a public authority is accompanied by a direction to provide a report back to the ICAC, the Commissioner or the Commissioner’s delegate will review the report in order to be satisfied that action was duly and properly taken. As part of the review process additional information or clarification may be sought from a public authority and feedback may be provided to the public authority in an effort to assist the public authority to improve its processes.

If the Commissioner is not satisfied that a public authority has duly and properly taken action in respect of a referral, the ICAC Act provides a mechanism for the Commissioner to express that dissatisfaction: first with the public authority, then with the Minister responsible for the public authority and finally by way of a report to both Houses of Parliament.

During the reporting period 83 reports were received from public authorities in respect of the action taken on a referral. Some reports were received in response to directions given in previous financial years. Each one of the reports was reviewed for the purpose of determining whether action had been duly and properly taken in relation to the referral.

On a number of occasions the Commissioner sought and received further information or clarification from the public authority regarding the action taken prior to closing the file. There were no incidences of the Commissioner expressing dissatisfaction in relation to the action taken by a public authority.

The Commissioner sets a benchmark of an average of ten working days within which to review final reports received from public authorities on action taken on a referral. In 2020-21 the average time taken to review a report was eight working days.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(x) Report the number and general nature of the occasions on which the Commissioner exercised the powers of an inquiry agency.

In some circumstances (as prescribed by the ICAC Act), the Commissioner can determine to exercise the powers of an inquiry agency to investigate potential issues of serious or systemic misconduct or maladministration. At present the only inquiry agency for the purposes of the ICAC Act is the South Australian Ombudsman.

During the 2020-21 financial year, the Commissioner did not commence an investigation involving an exercise of the powers of the Ombudsman.

However, six ongoing investigations into potential issues of serious or systemic misconduct or maladministration commenced in previous years were carried over.

All six of the carried over investigations were finalised in the 2020-21 financial year.

When the Commissioner determines to exercise the powers of an inquiry agency the Commissioner exercises the powers of the Ombudsman as set out in the *Ombudsman Act 1972* (Ombudsman Act). Pursuant to section 19 of the Ombudsman Act, those powers include the powers of a Royal Commission, which includes the power to take evidence. During the reporting period evidence was taken from four witnesses exercising those powers. Each instance related to a carried over investigation.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(xi) Report the number and general nature of requests for examinations of accounts by the Auditor-General.

No requests for examinations of accounts by the Auditor-General were made by the Commissioner in 2020-21.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(xii) Report the number and general nature of recommendations made to an inquiry agency or public authority by the Commissioner.

The former Independent Commissioner Against Corruption determined to undertake an evaluation of the practices, policies and procedures of the Department for Correctional Services and requested that the Deputy Commissioner undertake that evaluation.

In the course of the Deputy Commissioner’s evaluation of the Department for Correctional Services, 24 recommendations were made. The general nature of these recommendations related to:

- mandatory training to include grooming, and bullying and harassment
- policy lifecycle and adherence to policies
- conflict of interest disclosure
- mechanisms to support staff dealing with or observing the early stages of grooming
- strengthened access controls
- recruitment policy
- performance management policy

A copy of the report titled ‘Evaluation of the Practices, Policies & Procedures of the Department for Correctional Services’ is available at⁷

<https://www.icac.sa.gov.au/evaluations-and-reviews/correctional-services>

⁷ <https://www.icac.sa.gov.au> >Evaluations & Reviews > Evaluation of the Department for Correctional Services > ICAC Report – Evaluation of the Practices, Policies and Procedures of the Department for Correctional Services.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(xiii) Report the number and general nature of reports made to the Attorney-General, President of the Legislative Council or Speaker of the House of Assembly.

The Independent Commissioner Against Corruption publishes a range of reports where it is in the public interest to make observations about integrity issues within public administration. Reports may set out findings or recommendations resulting from completed investigations, or be based on other matters arising in the course of the performance of the functions of the Independent Commissioner Against Corruption.

Reports published in the 2020-21 reporting period are:

Identify, disclose and manage: conflicts of interest in public administration

Published on 1 June 2021, this report was prepared in response to observations of persistent conflicts of interest issues present in public administration. The report covers the principles of identifying, disclosing and managing conflicts of interest. The report is available at⁸ <https://www.icac.sa.gov.au/publications/published-reports/identify-disclose-manage>

ICAC University integrity survey 2020

Published on 3 December 2020, this report details the findings of the Independent Commissioner Against Corruption university integrity survey. The report detailed public officers' perceptions and experiences of corruption and inappropriate conduct in their universities. The report is available at⁹ <https://www.icac.sa.gov.au/publications/published-reports/university-integrity-survey-2020>

Looking Back 2020

Published on 1 September 2020, former Independent Commissioner Against Corruption the Honourable Bruce Lander QC reported on his observations relating to integrity within South Australian public administration during his tenure. The report is available at¹⁰ <https://www.icac.sa.gov.au/publications/published-reports/looking-back-2020>

⁸ <https://www.icac.sa.gov.au/> >Publications > Published reports > Identify, disclose and manage: conflicts of interest in public administration.

⁹ <https://www.icac.sa.gov.au/> >Publications > Published reports > ICAC University integrity survey 2020.

¹⁰ <https://www.icac.sa.gov.au/> >Publications > Published reports > Looking Back 2020.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(b)(xiv) Report a description of the activities carried out in relation to its evaluation and educational functions.

Evaluations function

Section 7(1)(d) of the ICAC Act provides that the Commissioner can evaluate the practices, policies and procedures of inquiry agencies and public authorities with a view to advancing comprehensive and effective systems for preventing or minimising corruption, misconduct and maladministration in public administration.

During the financial year one evaluation was undertaken by the Deputy Commissioner. On 24 June 2021 the report entitled ‘Evaluation of the Practices, Policies & Procedures of the Department for Correctional Services’ was tabled in Parliament. A copy of that report is available at¹¹

<https://www.icac.sa.gov.au/evaluations-and-reviews/correctional-services>

Education function

Section 7(1)(e) of the ICAC Act provides that the Commissioner is to conduct or facilitate the conduct of educational programs designed to prevent or minimise corruption, misconduct and maladministration in South Australian public administration.

Presentations, seminars and workshops

The ICAC’s prevention function is served by a combination of education and communication activities and initiatives delivered to public officers and the South Australian community.

¹¹ <https://www.icac.sa.gov.au/> >Evaluations & Reviews > Evaluation of the Department for Correctional Services > ICAC Report – Evaluation of the Practices, Policies and Procedures of the Department for Correctional Services.

Education sessions	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Education sessions delivered	50 ¹	90 ²	-44.4
Attendees	1,441	3,436	-58.1

¹ A reduced number of education sessions were provided in the reporting period due to social distancing requirements arising from the ongoing Coronavirus pandemic.

² Due to the Coronavirus pandemic education sessions scheduled from 16 March to 30 June 2020 were suspended. Thirteen ICAC Public Interest Disclosure Responsible Officer training sessions are included in the 2019-20 reporting period.

Education resources

The ICAC makes resources available to assist public officers, public authorities and members of the community to understand the importance of integrity in public administration. Resources are accessible on the ICAC website and printed resources can be obtained from the Prevention and Communications Section. Other resources include videos which are hosted on the ICAC Vimeo channel (accessible from the ICAC website) and online courses, including an ICAC induction course and a conflict of interest course.

During the 2020-21 financial year

- 2,657 individuals enrolled in the ICAC Induction for Public Officers course
- 1,600 individuals enrolled in the ICAC Conflicts of Interest online course. This course aids public officers in the identification and management of conflicts of interest
- 197 individuals enrolled in the new ICAC Internal Investigations – Concepts and Principles course. This course assists public officers involved in internal investigations processes to understand legal concepts and principles underpinning a fair internal investigation.

Of the 1,212 online training participants who responded to a follow-up survey about the ICAC induction course, 93% said they would recommend that course to others.

In this reporting period ICAC video resources were streamed on 48,653 occasions and 3,754 individuals registered for online training.

Communication and engagement

The Commissioner and the Commissioner’s employees make themselves available to engage with stakeholders where possible and appropriate.

A range of stakeholder engagement channels are used, most widely being the ICAC website.

Website	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Website visitor	87,089	120,642	-27.8
Webpages accessed	197,979	261,444	-24.3

Section 48 of the ICAC Act prescribes material that must be available on the website. Where that material exists it is available.

Act or Regulation	Requirement
<i>Independent Commissioner Against Corruption Act 2012</i>	Section 45(2)(c) Deal with any other matters stipulated by the regulations.

There were no matters to report.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-reporting-required-by-any-other-act>

Public complaints

Schedule 4 of the ICAC Act provides for the appointment of an independent reviewer who is responsible for an annual review of the exercise of the ICAC's powers, review of matters arising from relevant complaints and other reviews as contemplated by the schedule. The independent reviewer is required to present a report to the Attorney-General on or before 30 September each year setting out findings from an annual review of the exercise of powers.

The independent reviewer is the Honourable John Sulan QC.

In order to enable the reviewer to carry out his work, full and unfettered access is provided to corporate systems and hardcopy material.

Any person can make a relevant complaint to the reviewer. A 'relevant complaint' is defined in Schedule 4 of the ICAC Act to be:

A complaint made in accordance with any requirements prescribed by the regulations relating to an abuse of power, impropriety or other misconduct on the part of the Commissioner or employees of the Commissioner or of the Office [for Public Integrity].

Additionally, the operations of the ICAC and the OPI, and the ICAC Act, are also the subject of review by the Parliamentary Crime and Public Integrity Policy Committee. Other legislation provides for supervision of different aspects of the ICAC's operations by the Commonwealth Ombudsman, the Commonwealth Department of Home Affairs, the South Australian Attorney-General and the Auditor-General.

The ICAC (including the OPI) invests a great deal of time and effort in ensuring it meets its many and varied compliance responsibilities.

Number of public complaints reported

The Commissioner, Deputy Commissioner and employees are subject to external review by the reviewer appointed under the ICAC Act. In 2020-21 all complaints made to the ICAC or the OPI regarding allegations of impropriety by the former and current Commissioner, Deputy Commissioner or an employee have been brought to the attention of the reviewer. Complaints may also be made directly to the reviewer, who reports the number of complaints he receives.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-and-opi-annual-report-data-public-complaints>

Compliance statement

The Independent Commissioner Against Corruption is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
The Independent Commissioner Against has communicated the content of PC 039 and the agency’s related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2020-21

INDEPENDENT AUDITOR'S REPORT



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Auditor-General's Department

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To the Independent Commissioner Against Corruption Independent Commissioner Against Corruption

Opinion

I have audited the financial report of the Independent Commissioner Against Corruption for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Independent Commissioner Against Corruption as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Independent Commissioner Against Corruption and the Director Corporate Services.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Independent Commissioner Against Corruption. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Independent Commissioner Against Corruption for the financial report

The Independent Commissioner Against Corruption is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Independent Commissioner Against Corruption is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Independent Commissioner Against Corruption is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Independent Commissioner Against Corruption for the financial year ended 30 June 2021.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Independent Commissioner Against Corruption's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Independent Commissioner Against Corruption
- conclude on the appropriateness of the Independent Commissioner Against Corruption's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Independent Commissioner Against Corruption about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson
Auditor-General
23 September 2021

OFFICIAL

2020-21 ANNUAL REPORT for the Independent Commissioner Against Corruption and Office for Public Integrity

OFFICIAL

Independent Commissioner Against Corruption (ICAC)

Financial Statements

For the year ended 30 June 2021

1

OFFICIAL

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**Independent Commissioner Against Corruption
Certification of the Financial Statements
for the year ended 30 June 2021**

We certify that the

- financial statements for the office of the Independent Commissioner Against Corruption:
 - are in accordance with the accounts and records of the office of the Independent Commissioner Against Corruption;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the office of the Independent Commissioner Against Corruption at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the office of the Independent Commissioner Against Corruption for the financial year over its financial reporting and its preparation of financial statements have been effective.



The Honourable Ann Vanstone QC
Independent Commissioner Against Corruption
20 September 2021



Vicki Tomlinson
Director Corporate Services
20 September 2021

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Independent Commissioner Against Corruption
Statement of Comprehensive Income
for the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Income			
SA Government grants, subsidies and transfers	2.1	13 875	19 535
Services received free of charge	2.2	171	88
Donated asset	2.3	149	-
Recoveries and other income	2.4	10	14
Total income		14 205	19 615
Expenses			
Employee benefits expenses	3.2	8 380	9 379
Supplies and services	4.1	4 215	4 808
Depreciation and amortisation	4.2	1 138	1 184
Loss on revaluation of PP&E	5.2	188	-
Borrowing costs	4.3	-	1
Other expenses	4.4	38	35
Total expenses		13 955	15 387
Net result		250	4 228
Total comprehensive result		250	4 228

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Independent Commissioner Against Corruption
Statement of Financial Position
as at 30 June 2021

	Note	2021 \$'000	2020 \$'000
Current assets			
Cash and cash equivalents	8.1	11 209	11 434
Receivables	8.2	274	154
Total current assets		11 483	11 588
Non-current assets			
Property, plant and equipment	5.1	2 585	3 319
Intangible assets	5.4	84	258
Total non-current assets		2 669	3 575
Total assets		14 152	15 163
Current liabilities			
Payables	7.1	504	775
Financial liabilities	7.2	20	14
Employee benefits	3.3	1 348	1 530
Other liabilities	7.3	138	188
Total current liabilities		2 006	2 507
Non-current liabilities			
Payables	7.1	55	97
Financial liabilities	7.2	11	18
Employee benefits	3.3	588	1 057
Other liabilities	7.3	135	375
Total non-current liabilities		787	1 547
Total liabilities		2 793	4 054
Net assets		11 359	11 109
Equity			
Retained earnings		11 359	11 109
Total equity		11 359	11 109

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Independent Commissioner Against Corruption
Statement of Changes in Equity
for the year ended 30 June 2021

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2019	<u>6 881</u>	<u>6 881</u>
Net result for 2019-20	<u>4 228</u>	<u>4 228</u>
Total comprehensive result for 2019-20	<u>4 228</u>	<u>4 228</u>
Balance at 30 June 2020	<u>11 109</u>	<u>11 109</u>
Net result for 2020-21	<u>250</u>	<u>250</u>
Total comprehensive result for 2020-21	<u>250</u>	<u>250</u>
Balance at 30 June 2021	<u><u>11 359</u></u>	<u><u>11 359</u></u>

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Independent Commissioner Against Corruption
Statement of Cash Flows
for the year ended 30 June 2021

	2021	2020
	Inflows (Outflows)	Inflows (Outflows)
Note	\$'000	\$'000
Cash flows from operating activities		
Cash inflows		
SA Government grants, subsidies and transfers	13 875	19 535
Recoveries	8	57
Cash generated from operating activities	13 883	19 592
Cash outflows		
Employee benefits payments	(9 121)	(9 019)
Supplies and services	(4 568)	(4 683)
Interest paid	-	(1)
Cash used in operating activities	(13 689)	(13 703)
Net cash provided by / (used in) operating activities	8.1 194	5 889
Cash flows from investing activities		
Cash outflows		
Purchase of property, plant and equipment	(400)	(551)
Cash used in investing activities	(400)	(551)
Net cash provided by / (used in) investing activities	(400)	(551)
Cash flows from financing activities		
Cash outflows		
Repayment of leases	(19)	(24)
Cash used by financing activities	(19)	(24)
Net cash provided by / (used in) financing activities	(19)	(24)
Net increase / (decrease) in cash and cash equivalents	(225)	5 314
Cash and cash equivalents at the beginning of the reporting period	11 434	6 120
Cash and cash equivalents at the end of the reporting period	8.1 11 209	11 434

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS

1	About the Independent Commissioner Against Corruption	8
1.1.	Basis of preparation	8
1.2.	Objectives and programs	8
1.3.	Impact of COVID-19 pandemic on the ICAC and OPI	9
1.4.	Significant transactions with government related entities	10
2.	Income	10
2.1.	SA Government grants, subsidies and transfers	10
2.2.	Services received free of charge	10
2.3.	Donated Assets	10
2.4.	Recoveries and other income	11
3.	Board, committees and employees	11
3.1.	Key management personnel	11
3.2.	Employee benefits expenses	11
3.3.	Employee benefits liability	12
4.	Expense	14
4.1.	Supplies and services	14
4.2.	Depreciation and amortisation	15
4.3.	Borrowing costs	16
4.4.	Other expenses	16
5.	Non-financial assets	16
5.1.	Property, plant and equipment by asset class	16
5.2.	Property, plant and equipment owned by the Commissioner	17
5.3.	Property, plant and equipment leased by the Commissioner	18
5.4.	Intangible assets	19
6.	Financial assets	20
6.1.	Cash and cash equivalents	20
6.2.	Receivables	20
7.	Liabilities	21
7.1.	Payables	21
7.2.	Financial liabilities	22
7.3.	Other liabilities	22
8.	Other disclosures	23
8.1.	Cash flow	23
9.	Outlook	24
9.1.	Unrecognised commitments	24
9.2.	Contingent assets and liabilities	24
9.3.	Impact of standards and statements not yet effective	24
9.4.	COVID-19 pandemic outlook for the ICAC and OPI	24
9.5.	Events after the reporting period	24
10.	Measurement and risk	25
10.1.	Long service leave liability - measurement	25
10.2.	Fair value measurement	26
10.3.	Financial instruments	28

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1 About the Independent Commissioner Against Corruption

The Independent Commissioner Against Corruption (the Commissioner) must, before 30 September in each year, prepare a report on the operations of the office of the Independent Commissioner Against Corruption (ICAC) and the Office for Public Integrity (OPI) as required by section 45 of the *Independent Commissioner Against Corruption Act 2012* (ICAC Act). The report encompasses the operations of the ICAC and the OPI.

1.1 Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the Commissioner has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

1.2 Objectives and programs

The ICAC Act established the Commissioner and the OPI.

The Commissioner is established to:

- (a) identify and investigate corruption in public administration; and
- (b) prevent or minimise corruption, misconduct and maladministration in public administration through referral of potential issues, education and evaluation of practices, policies and procedures.

The Commissioner has the following functions:

- (a) to identify corruption in public administration and to -
 - (i) investigate and refer it for prosecution; or
 - (ii) refer it to a law enforcement agency for investigation and prosecution;
- (b) to assist inquiry agencies and public authorities to identify and deal with misconduct and maladministration in public administration;

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1.2. Objectives and programs (continued)

- (c) to refer complaints and reports to inquiry agencies, public authorities and public officers and to give directions or guidance to public authorities in dealing with misconduct and maladministration in public administration, as the Commissioner considers appropriate;
 - (ca) to identify serious or systemic misconduct or maladministration in public administration;
 - (cb) to exercise the powers of an inquiry agency in dealing with serious or systemic maladministration in public administration if satisfied that it is in the public interest to do so;
 - (cc) to exercise the powers of an inquiry agency in dealing with serious or systemic misconduct in public administration if the Commissioner is satisfied that the matter must be dealt with in connection with a matter the subject of an investigation of a kind referred to in paragraph (a)(i) or a matter being dealt with in accordance with paragraph (cb);
- (d) to evaluate the practices, policies and procedures of inquiry agencies and public authorities with a view to advancing comprehensive and effective systems for preventing or minimising corruption, misconduct and maladministration in public administration;
- (e) to conduct or facilitate the conduct of educational programs designed to prevent or minimise corruption, misconduct and maladministration in public administration;
- (f) to perform other functions conferred on the Commissioner by the ICAC Act or any other Act.

The OPI is responsible to the Commissioner for the performance of the following functions:

- (a) to receive and assess complaints about public administration from members of the public;
- (b) to receive and assess reports about corruption, misconduct and maladministration in public administration from inquiry agencies, public authorities and public officers;
- (c) to refer complaints and reports to inquiry agencies, public authorities and public officers in circumstances approved by the Commissioner or make recommendations to the Commissioner in relation to complaints and reports;
 - (ca) to give directions or guidance to public authorities in circumstances approved by the Commissioner;
- (d) to receive disclosures of public interest information in accordance with the *Public Interest Disclosure Act 2018*;
- (e) to perform other functions assigned to the Office by the Commissioner.

The OPI has additional functions under the *Police Complaints and Discipline Act 2016 (PCD Act)*:

- (a) to oversee the assessment and investigation of complaints and reports relating to designated officers;
- (b) to oversee the operation and enforcement of the PCD Act;
- (c) to refer certain complaints and reports to the ICAC in accordance with the PCD Act and the ICAC Act; and
- (d) such other functions assigned to the OPI under the PCD Act.

1.3. Impact of COVID-19 pandemic on the ICAC and OPI

There has been no material impact on the operations of the ICAC and OPI due to the COVID-19 pandemic.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1.4. Significant transactions with government related entities

Significant transactions with the SA Government are identified throughout this financial report. In addition:

- SA Government transfers received from the Department of Treasury and Finance (DTF) of \$13.9 million.
- 100% of accommodation payments relate to accommodation supplied by the Department of Infrastructure and Transport (DIT) and cars supplied by Fleet SA.
- Services received free of charge from Shared Services SA of \$0.068 million. Refer note 2.2.
- Services Received free of charge from the Department of the Premier and Cabinet of \$0.103m. Refer note 2.2.

2. Income

2.1. SA Government grants, subsidies and transfers

	2021	2020
	\$'000	\$'000
SA Government transfers	13 875	19 535
Total SA Government grants, subsidies and transfers	13 875	19 535

SA Government transfers are recognised on receipt.

SA Government transfers consist of \$12.513 million (\$14.5 million) for operational funding and \$1.362 million (\$5.0 million) for capital projects via the Attorney-General's Department's intra-government transfers.

2.2. Services received free of charge

	2021	2020
	\$'000	\$'000
Services received free of charge - Department of the Premier and Cabinet	103	-
Services received free of charge - Shared Services SA	68	66
Total services received free of charge	171	66

Contribution of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated.

The Commissioner receives Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA. Information, Communication and Technology services are received from the Department of the Premier and Cabinet, following Cabinet's approval to cease intra-government charges.

A corresponding expense is recognised in the financial statements (see note 4.1).

2.3. Donated Assets

	2021	2020
	\$'000	\$'000
Donated assets	149	-
Total donated asset	149	-

The donated asset of \$149 000 is an adjustment to lease incentive for future years to account for the portion of the Commissioner's leased premises that has been sub-let to a separate SA Government agency.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

2.4. Recoveries and other income

	2021	2020
	\$'000	\$'000
Sundry recoveries	10	14
Total recoveries and other income	10	14

Recoveries consist of recoveries from SA Government agencies and employee reimbursements.

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the ICAC include the Commissioner, the Deputy Independent Commissioner Against Corruption (Deputy Commissioner) and eight members of the management team who have responsibility to support the Commissioner to lead the strategic direction and management of the ICAC and the OPI, including employees who acted in those positions from time to time during the period. Total compensation for key management personnel was \$2.4 million in 2020-21 and \$2.1 million in 2019-20.

	2021	2020
	\$'000	\$'000
Compensation	1 962	1 915
Salaries and other short-term employee benefits	178	181
Post-employment benefits	234	-
Other long-term employment benefits	2 374	2 096

Transactions with key management personnel and other related parties

Compensation for key management personnel is disclosed above. There are no other transactions or balances to disclose with key management personnel or related parties.

The Commissioner is independent and accountable to the SA Parliament.

Related parties of the Commissioner include all key management personnel and their close family members.

3.2. Employee benefits expenses

	2021	2020
	\$'000	\$'000
Salaries and wages	6 770	7 383
Employment on-costs - superannuation	702	781
Annual leave	564	847
Employment on-costs - other	391	437
Long service leave	(73)	107
Skills and experience retention leave	26	24
Total employee benefits expenses	8 380	9 379

References to employee(s) in these financial statements include the Commissioner and Deputy Commissioner, who are statutory appointments.

Employment on-costs – superannuation

The superannuation employment on-cost charge represents the Commissioner's contributions to superannuation plans in respect of current services of current employees.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

3.2 Employee benefits expenses (continued)

Executive remuneration

The number of employees whose remuneration received or receivable falls within the following bands:

	2021	2020
	Number	Number
\$154 001 to \$174 000	4	6
\$174 001 to \$194 000	2	-
\$194 001 to \$214 000	2	3
\$214 001 to \$234 000	1	1
\$334 001 to \$354 000	-	1
\$394 001 to \$414 000	1	-
\$414 001 to \$434 000	1	-
\$474 001 to \$494 000	1	-
\$514 001 to \$534 000	-	1
Total	12	12

The total remuneration received by those employees for the year was \$2.9 million (2020: \$2.6 million).

The table includes all employees (including the Commissioner and Deputy Commissioner) whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left the ICAC.

3.3 Employee benefits liability

	2021	2020
	\$'000	\$'000
Current		
Annual leave	643	768
Long service leave	465	509
Accrued salaries and wages	228	230
Skills and experience retention leave	10	23
Total current employee benefits	1 346	1 530
Non-current		
Long service leave	586	1 057
Total non-current employee benefits	586	1 057
Total employee benefits	1 932	2 587

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

3.3. Employee benefits liability (continued)

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the SERL liability in full are expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability is provided at note 10.1.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

4. Expense

Employee benefits expenses are disclosed in note 3.2.

4.1. Supplies and services

	2021	2020
	\$'000	\$'000
Accommodation	1 412	1 627
Information and communications technology	1 352	1 488
Outsourced services	381	398
Legal fees	272	358
Contract staff	181	135
Shared Services SA charges	68	66
Consultants	73	114
Employee training	70	51
Repairs, maintenance and minor purchases	60	90
Employee related payments	38	119
Office expenses	37	45
Internal audit fee	31	31
Website development	20	8
Promotions and publications	20	43
Tax and taxable payments	15	34
Motor vehicle expenses	9	11
Telephone related expenses	9	67
Other	167	125
Total supplies and services	4 215	4 808

Accommodation

All of the Commissioner's accommodation is provided by DIT under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. MoAA do not meet the definition of lease set out in AASB 16. Information about accommodation incentives relating to this arrangement is shown at note 7.3.

Consultants

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	2021	2021	2020	2020
	Number	\$'000	Number	\$'000
Below \$10 000	10	35	9	36
\$10 000 or above	2	38	2	78
Total	12	73	11	114

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

4.2. Depreciation and amortisation

	2021	2020
	\$'000	\$'000
Depreciation		
Information technology assets	182	325
Plant and equipment	69	81
Right-of-use vehicles	19	27
Total depreciation	270	413
Amortisation		
Leasehold improvements	694	579
Intangible assets	172	172
Total amortisation	866	751
Total depreciation and amortisation	1 136	1 164

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Lease incentives in the form of leasehold improvements are capitalised as an asset and amortised over the remaining term of the lease or estimated useful life of each improvement, whichever is shorter.

Useful life

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Leasehold improvements	2
Plant and equipment	5-10
Information Technology	3-10
Intangible assets	3-5
Right-of-use assets	1

During the year, ICAC reassessed the useful lives of leasehold improvements, resulting in a reduction in the estimated useful life. As a result future depreciation expense will increase by \$592 000.

Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

A fit out project conducted in 2017 was deemed to have a useful life of ten years. The useful life of the asset has been adjusted in 2020-21 to bring it in line with the end of the lease on 30 June 2023. The depreciation schedule has been adjusted in future years to depreciate the asset to zero dollar value by the end of the lease on 30 June 2023.

The Commissioner revalued her leasehold improvements downwards at 30 June 2021. Future depreciation expense will reduce by \$188 000 as a result.

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Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

4.3. Borrowing costs

	2021 \$'000	2020 \$'000
Interest expense on lease liabilities	-	1
Total borrowing costs	-	1

The Commissioner does not capitalise borrowing costs.

4.4. Other expenses

	2021 \$'000	2020 \$'000
Audit fees	38	35
Total other expenses	38	35

Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$38 000 (\$35 000). No other services were provided by the Auditor-General's Department.

5. Non-financial assets**5.1. Property, plant and equipment by asset class**

Property, plant and equipment comprises of tangible assets owned and right-of-use (leased) assets.

	2021 \$'000	2020 \$'000
Accommodation and leasehold improvements		
Leasehold improvements at cost (deemed fair value)	1 525	5 469
Accumulated depreciation	-	(3 083)
Total accommodation and leasehold improvements	1 525	2 406
Information technology assets		
Information Technology assets at cost (deemed fair value)	3 355	2 630
Accumulated depreciation	(2 598)	(2 444)
Total information technology assets	757	186
Plant and equipment		
Plant and equipment at cost (deemed fair value)	688	690
Accumulated depreciation	(428)	(359)
Total plant and equipment	260	331
Capital work in progress		
Capital work in progress at cost	11	365
Total capital work in progress	11	365
Right-of-use vehicles		
Right-of-use vehicles at cost	61	42
Accumulated depreciation	(29)	(11)
Total right-of-use vehicles	32	31
Total property, plant and equipment	2 585	3 319

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

5.2. Property, plant and equipment owned by the Commissioner

Property, plant and equipment owned by the Commissioner with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Commissioner is recorded at fair value. Detail about the Commissioner's approach to fair value is set out in note 10.2.

Impairment

Property, plant and equipment owned by the Commissioner have not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity and are subject to regular revaluation.

Revaluation of leasehold improvements was undertaken in 2021 as detailed in note 10.2.

Reconciliation

	Accommodation and leasehold Improvements	Plant & equipment	Information Technology assets	Capital Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2021					
Carrying amount at 1 July 2020	2 406	331	186	365	3 288
Acquisitions	-	-	-	400	400
Depreciation and amortisation	(694)	(69)	(182)	-	(945)
Revaluation decrement	(186)	-	-	-	(186)
Transfers to/(from) capital WIP	-	-	754	(754)	-
Other	(1)	(2)	(1)	-	(4)
Carrying amount at 30 June 2021	1 525	260	757	11	2 553

	Accommodation and leasehold Improvements	Plant & equipment	Information Technology assets	Capital Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2020					
Carrying amount at 1 July 2019	2 922	324	511	-	3 757
Acquisitions	-	-	-	496	496
Depreciation and amortisation	(579)	(61)	(325)	-	(965)
Transfers to/(from) capital WIP	63	68	-	(131)	-
Carrying amount at 30 June 2020	2 406	331	186	365	3 288

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

5.3. Property, plant and equipment leased by the Commissioner

Right-of-use assets for property, plant and equipment leased by the Commissioner is measured at cost. Additions to leased property, plant and equipment during 2020-21 were \$19 000 (2020: \$58 000).

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15,000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The Commissioner has a limited number of leases:

- 4 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No variable lease payments are provided for in the lease agreements and no options exist to renew the leases at the end of their term.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. The Commissioner's maturity analysis of her lease liabilities is disclosed in note 10.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4. Cash outflows related to leases are disclosed in note 8.1.

Impairment

Property, plant and equipment leased by the Commissioner has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

5.4. Intangible assets

	2021	2020
	\$'000	\$'000
Externally acquired intangible assets		
Computer software and licences	867	867
Less accumulated amortisation	(783)	(611)
Total externally acquired intangible assets	84	256
Total intangible assets	84	256

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10 000.

Impairment

There were no indications of impairment of intangible assets at 30 June 2021.

Reconciliation

	Externally acquired software	Total
2021	\$'000	\$'000
Carrying amount at 1 July 2020	256	256
Amortisation	(172)	(172)
Total as at 30 June 2021	84	84

	Externally acquired software	Total
2020		
Carrying amount at 1 July 2019	428	428
Amortisation	(172)	(172)
Total as at 30 June 2020	256	256

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

6. Financial assets

6.1. Cash and cash equivalents

	2021	2020
	\$'000	\$'000
Deposits with the Treasurer	11 189	11 414
Cash on hand	20	20
Total cash and cash equivalents	11 209	11 434

Deposits with the Treasurer

Deposits with the Treasurer are non-interest bearing. The carrying amount of cash and cash equivalents represents fair value.

6.2. Receivables

	2021	2020
	\$'000	\$'000
Current		
Trade receivables	32	2
Prepayments	242	152
Total current receivables	274	154

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Trade receivables and prepayments are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Other than as recognised in the allowance for impairment loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 10.3 for further information on risk management.

The net amount of GST payable to the ATO is included as part of receivables.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

7. Liabilities

Employee benefits liabilities are disclosed in note 3.3.

7.1. Payables

	2021	2020
	\$'000	\$'000
Current		
Trade payables	292	549
Accrued expenses	37	35
Employment on-costs	175	191
Total current payables	504	775
Non-current		
Employment on-costs	55	97
Total non-current payables	55	97
Total payables	559	872

Payables and accruals are raised for all amounts billed but unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts.

The net amount of GST recoverable from the ATO is included as part of payables. However, if a net GST payable arises then this amount would be disclosed in this Payables note.

Employment on-costs

Employment on-costs include payroll tax and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

The Commissioner contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid.

As a result of an actuarial assessment performed by the DTF, the proportion of long service leave taken as leave has remained the same as the 2020 rate (42%). The average factor for the calculation of employer superannuation on-costs has increased to 10.1% (9.8%). These rates are used in the employment on-costs calculation. The net financial effect of the changes in the current financial year on employment on-costs and employee benefit expense is immaterial.

Refer to note 10.3 for further information on risk management.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

7.2. Financial liabilities

	2021	2020
	\$'000	\$'000
Current		
Lease liabilities	20	14
Total current financial liabilities	20	14
Non-current		
Lease liabilities	11	18
Total non-current financial liabilities	11	18
Total financial liabilities	31	32

The Commissioner measures financial liabilities including borrowings/debt at amortised cost.

All material cash outflows are reflected in the lease liabilities disclosed above.

7.3. Other liabilities

	2021	2020
	\$'000	\$'000
Current		
Accommodation incentive	136	188
Total current other liabilities	136	188
Non-current		
Accommodation incentive	135	375
Total non-current other liabilities	135	375
Total other liabilities	271	563

Accommodation incentive liabilities relate to arrangements with DIT for office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities. DIT has provided a range of incentives. The benefit of this incentive is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

8. Other disclosures

8.1. Cash flow

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

Total cash outflows for leases was \$19 000 (2020: \$24 000).

Reconciliation of net result to cash flows from operating activities

	2021	2020
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	11 209	11 434
Balance as per the Statement of Cash Flows	11 209	11 434
Reconciliation of net cash provided by operating activities to net result		
Net cash provided by operating activities	194	5 889
Add / (less) non-cash items		
Services received free of charge - expense	(171)	(66)
Decrements on revaluation of non-current assets	(186)	-
Services received free of charge - income	171	66
Depreciation and amortisation	(1 136)	(1 164)
Donated assets	149	-
Lease incentive amortisation	143	188
Movement in assets and liabilities		
Increase/(decrease) in receivables	92	(70)
(Increase)/decrease in payables	311	(300)
(Increase)/decrease in employee benefits	683	(315)
Net result	250	4 228

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

9. Outlook

9.1. Unrecognised commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Expenditure commitments

	2021	2020
	\$'000	\$'000
Within one year	1 560	1 311
Later than one year but not longer than five years	1 168	2 227
Total other commitments	2 728	3 538
Software maintenance ⁽¹⁾	302	96
Other ⁽²⁾	2 426	3 442
Total	2 728	3 538

⁽¹⁾ Software maintenance commitments relate to maintenance and support services from contracts relating to software purchases. These contracts will expire within one to three years.

⁽²⁾ Other commitments relate to purchase orders placed for goods and services before 30 June 2021 and MoAA with DIT for accommodation.

9.2. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

In the ordinary course of operations, the Commissioner may become liable to pay costs or to receive costs arising from legal proceedings. As at 30 June 2021, it is not possible to reliably estimate the total court costs that may be receivable or payable in respect of one legal proceeding that is yet to conclude.

9.3. Impact of standards and statements not yet effective

The Commissioner has assessed that there is no impact of new and changed Australian Accounting Standards Board Standards and Interpretations not yet effective.

9.4. COVID-19 pandemic outlook for the ICAC and OPI

The COVID-19 pandemic is not expected to have a material impact on the operations of the ICAC and OPI in 2021-22.

9.5. Events after the reporting period

There are no known events after balance date that affect these financial statements.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10. Measurement and risk

10.1. Long service leave liability - measurement

The amounts for long service leave include amounts accrued for investigators seconded under a MoAA between SA Police and the Commissioner. The Commissioner is required to reimburse SA Police an amount equivalent to long service leave accrued while an investigator is on secondment. The amount is due to SA Police when the seconded investigator ceases employment with the Commissioner. The amount accrued is therefore equivalent to the long service leave provision amount.

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability.

The actuarial assessment performed by the DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 *Employee Benefits* requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds has increased from 0.75% (2020) to 1.25% (2021).

The actuarial assessment performed by the DTF has left the salary inflation rate at 2.5% for long service leave liability and 2% for annual leave and skills, experience and retention leave liability.

This decrease in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$146 000 and employee benefits expense of \$146 000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.2. Fair value measurement

Fair value measurement

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

Revaluation

Property, plant and equipment, other than right-of-use assets are subsequently measured at fair value after allowing for accumulated depreciation.

An independent valuation of leasehold improvements owned by ICAC was performed by Simon O'Leary, Director, and independent Certified Practising Valuer from Public Private Property as at 30 June 2021.

The independent valuer arrived at fair value based on the actual cost of the assets. The impact of this is a net revaluation decrement of \$186 000.

Non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

Revaluation is undertaken on a regular cycle as detailed below. If at any time the Commissioner considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

Fair value hierarchy

The Commissioner classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.

Level 3: not traded in an active market and are derived from unobservable inputs.

The Commissioner has categorised all leasehold improvements, information technology assets and plant and equipment assets (refer to note 5.1) into level 3 for 2020 and 2021. The Commissioner's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. There have been no transfers into or out of fair value hierarchy levels during the reporting period.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.2. Fair value measurement (continued)

Plant and equipment

All items of plant and equipment owned by the Commissioner had a fair value at the time of acquisition less than \$1.5 million and had an estimated useful life less than three years. Plant and equipment have not been revalued. The carrying value of these items are deemed to approximate fair value.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.3. Financial instruments

Financial risk management

Risk management is managed by the Commissioner's Corporate Services Section. The Commissioner's risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the *Australian Standard Risk Management Principles and Guidelines*.

The Commissioner's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of financial instruments held. There have been no changes in risk exposure since the last reporting period.

Liquidity risk

The Commissioner is funded principally from SA Government transfer. The Commissioner works with the DTF to determine the cash flows associated with her Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

The continued existence of the Commissioner in the present form, and with the present programs, is dependent on State Government policy and on continuing appropriations by Parliament for the Commissioner's administration and programs. The Commissioner's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

Credit risk

The Commissioner is not exposed to any credit risk.

Currently the Commissioner does not hold any collateral as security for any of her financial assets. There is no evidence to indicate that financial assets are impaired.

Market risk

The Commissioner does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. The Commissioner does not undertake any hedging in relation to interest or foreign currency risk and manages her risk as per the government's risk management strategy articulated in TI 23 *Management of Foreign Currency Exposures*.

There have been no changes in risk exposure since the last reporting period.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset/ financial liability note.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.3. Financial instruments (continued)

Classification of financial instruments

The Commissioner measures all financial instruments at amortised cost.

Category of financial asset and financial liability	Note	2021 Carrying amount / fair value \$'000	2021 Contractual maturities*	
			Within 1 year \$'000	1 - 5 years \$'000
Financial assets				
Cash and cash equivalents				
Cash and cash equivalents	6.1	11 209	11 209	-
Financial assets at amortised cost				
Receivables**	6.2	32	32	-
Total financial assets		11 241	11 241	-
Financial liabilities				
Financial liabilities at amortised cost				
Payables **	7.1	292	292	-
Financial liabilities	7.2	31	31	-
Total financial liabilities		323	323	-

Category of financial asset and financial liability	Note	2020 Carrying amount / fair value \$'000	2020 Contractual maturities*	
			Within 1 year \$'000	1 - 5 years \$'000
Financial assets				
Cash and cash equivalents				
Cash and cash equivalents	6.1	11 434	11 434	-
Financial assets at amortised cost				
Receivables**	6.2	2	2	-
Total financial assets		11 436	11 436	-
Financial liabilities				
Financial liabilities at amortised cost				
Payables **	7.1	549	549	-
Other financial liabilities	7.2	32	14	18
Total financial liabilities		581	563	18

*Maturity analysis is presented using the undiscounted cash flows and therefore may not total to equal the carrying amount/fair value of the financial instrument.

** Total amounts disclosed here exclude statutory amounts. Receivables do not include prepayments as these are not financial instruments. Prepayments are presented in note 6.2.

Independent Commissioner Against Corruption
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.3. Financial instruments (continued)

Statutory receivables and payables

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges; Auditor-General's Department audit fees. This is in addition to employee related payables, such as Payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. In government, certain rights to receive or pay cash may not be contractual but have their source in legislation and therefore, in these situations, the disclosure requirements of AASB 7 will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.