



Corruption risks in public sector contract management

2025 Survey Report

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COMMISSIONER'S FOREWORD

Public sector procurement and contract management are often complex activities, involving the expenditure of significant amounts of public funding, numerous transactions, and close interactions between public and private sectors. Consequently, these areas are highly vulnerable to potential corruption.

In June 2024, ICAC published the *Buying Trust* report, which examined corruption risks in public sector procurement. The report's 18 recommendations, intended to improve the integrity of public sector procurement, were all implemented.

Some public sector employees and contractors interviewed as part of that project expressed the view that contract management in South Australia is also vulnerable to corruption. We agreed – having observed how poor and/or corrupt contract management can have a detrimental impact on both the delivery of services and public trust.

As a result, ICAC is now undertaking a research project into corruption risks in public sector contract management. We have conducted two surveys. The first was disseminated to contractors and subcontractors who provide services, goods or construction work to public sector agencies. The second was issued to public sector employees with contract management responsibilities. This interim report shares the surveys' quantitative findings.

Both surveys asked participants about their perceptions and experiences of integrity risks in public sector contract management. I appreciate the time taken by participants to express their views. Responses will help ICAC gain a better understanding of corruption risks in contract management and make recommendations for improvement.

A full report from this project – to provide analysis of the survey findings, as well as draw on other submissions, analysis of ICAC's internal holdings, and insights from other integrity agencies – will be tabled in the Parliament of South Australia later this year.



Commissioner Emma Townsend

Independent Commission Against Corruption

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INTRODUCTION

At the end of 2025, ICAC issued two online surveys: one for South Australian public sector employees with contract management responsibilities and the other for contractors and subcontractors who provide goods, services and construction work for public sector agencies.

The surveys were open from 13 November 2025 to 18 December 2025. Participation was voluntary and no questions were mandatory. The survey questions are provided in the appendices to this report. Initial screening questions ensured only public sector employees involved in contract management and contractors and subcontractors engaged in South Australian public sector work completed the surveys.

Contact lists of potential participants were provided by Procurement SA and agencies which have responsibility for major contracts. Assistance in disseminating the survey was provided by agency CEOs, the Industry Advocate, the South Australian Small Business Commissioner, the Industry Capability Network, and peak industry bodies. ICAC would like to thank all the organisations and individuals who have supported the project.

There were 339 survey responses from public sector employees with contract management responsibilities and 329 responses from contractors and subcontractors. Profiles of participants are provided in the appendices. As the surveys were disseminated via various networks, it is not possible to know how many individuals received an invitation to participate or the response rate. The responses should not be taken to be representative of all public officers involved in South Australian public sector contract management.

This report provides the survey results. Surveys about people's experiences of corruption and other impropriety often elicit responses that reflect factors other than their direct experiences. Perceptions of corruption may be distorted by recent media coverage, experiences that have occurred to others, or past experiences which may have occurred in other organisations.¹ To avoid those distortions, participants were asked about their experiences in their own organisations in the past twelve months.

Most survey questions were asked of both public sector employees and contractors/subcontractors, allowing for a comparison of results. However, to avoid asking participants about activities that were not directly relevant to them, some questions were specific to each group.

Percentages may not total 100 due to rounding.

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KEY FINDINGS

Approximately half of the survey participants (49.0% public sector employees, 46.9% of contractors/subcontractors) believe South Australian public sector contracts are somewhat or not all vulnerable to corruption. Just under half of participants (45.8% public sector employees, 45.7% contractors/subcontractors) consider public sector contracts offer value for money.

Post-tender negotiations and contract administration are perceived to be the most vulnerable stages of the contract management cycle.

More than one in four participants (29.2% public sector employees, 28.7% contractors/subcontractors) believe that contracts are highly or extremely vulnerable to undisclosed or unmanaged conflicts of interests. Approximately one in five suspect such undisclosed or unmanaged conflicts of interests are occurring (21.1% public sector employees, 25.5% contractors/subcontractors).

Subcontracting is seen to be especially vulnerable to potential corruption by contractors and subcontractors. Almost 40% of contractors and subcontractors believe that public sector contracts are highly or extremely vulnerable to certain subcontractors receiving favourable treatment from head contractors. Approximately a third of contractors and subcontractors (35.3%) perceive that contracts are vulnerable to head contractors not paying subcontractors in full and/or on time, and subcontractors being awarded work on factors other than merit (34.1%).

Public sector employees consider failure to address poor contractor performance to be a prominent integrity risk. Over one in five public sector employees (22.9%) believe underperforming contractors are being re-engaged.

Almost one third of public sector employees (30.6%) responded that their workplace has not provided training on corruption risks relating to contract management. Approximately a third of contractors (34.6%) believe their commissioning agency has not provided training or induction.

Most participants were aware that public officers have reporting obligations. However, only half of contractors and subcontractors (51.1%) were aware that contractors are public officers, and a smaller proportion (44.6%) were aware that subcontractors are public officers. One in ten contractors and subcontractors (12.9%) had not heard of ICAC until they received the survey.

Most participants (83.4% public sector employees, 78.1% contractors/subcontractors) would be willing to report suspected corruption or other impropriety, although they would want to have sufficient evidence before reporting (70.5% public officers, 78.9% contractors/subcontractors). In response to those findings, ICAC stresses that public officers do not need to collect evidence before reporting to the Office for Public Integrity. Instead, they should be guided by ICAC's message that 'if you think something isn't right, report.'

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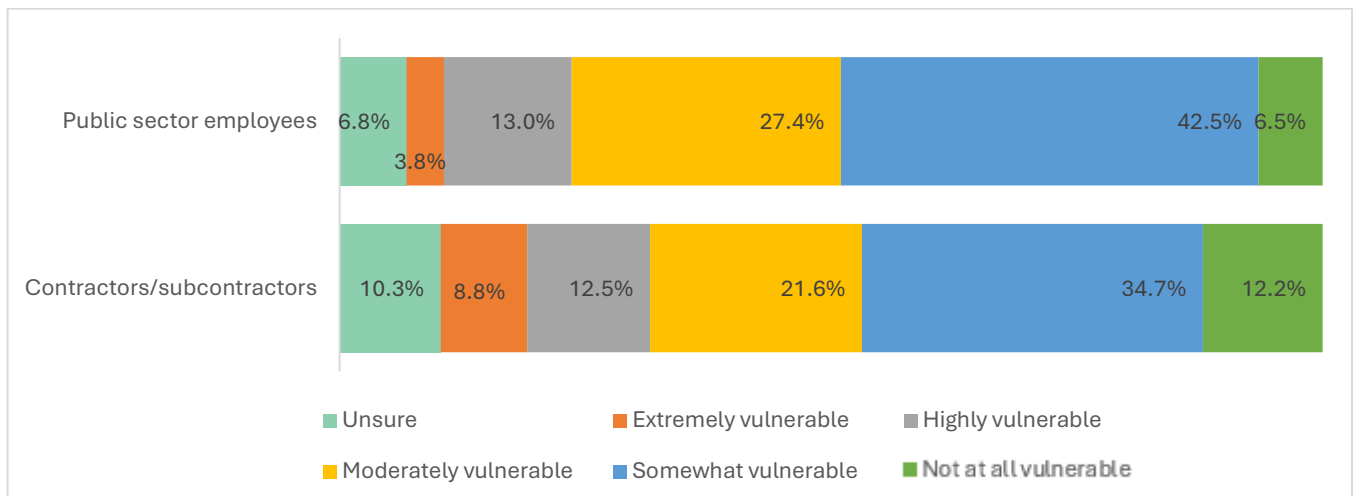
Most public sector employees (71.1%) are aware of how to report suspected corruption or other impropriety. However, only one third of contractors and subcontractors (34.9%) are aware of how to report suspected corruption.

A major barrier to reporting suspected corruption is fear of repercussions, which is compounded if potential reporters believe their identify will be inappropriately disclosed. Only 35.3% of public sector employees and 11.9% of contractors and subcontractors thought they had a good understanding of whistleblower protections available under the *Public Interest Disclosure Act 2018* (SA). More than one in ten (15.2%) were not aware of whistleblower protections until they had received the survey.

PERCEPTIONS OF MAJOR CORRUPTION RISKS

Participants were asked to rate the perceived vulnerability of public sector contracts to corruption. Approximately half of participants responded that South Australian public sector contracts are either not at all or only somewhat vulnerable to corruption (Figure 1).

Figure 1: Perceptions that South Australian public sector contracts are vulnerable to potential corruption

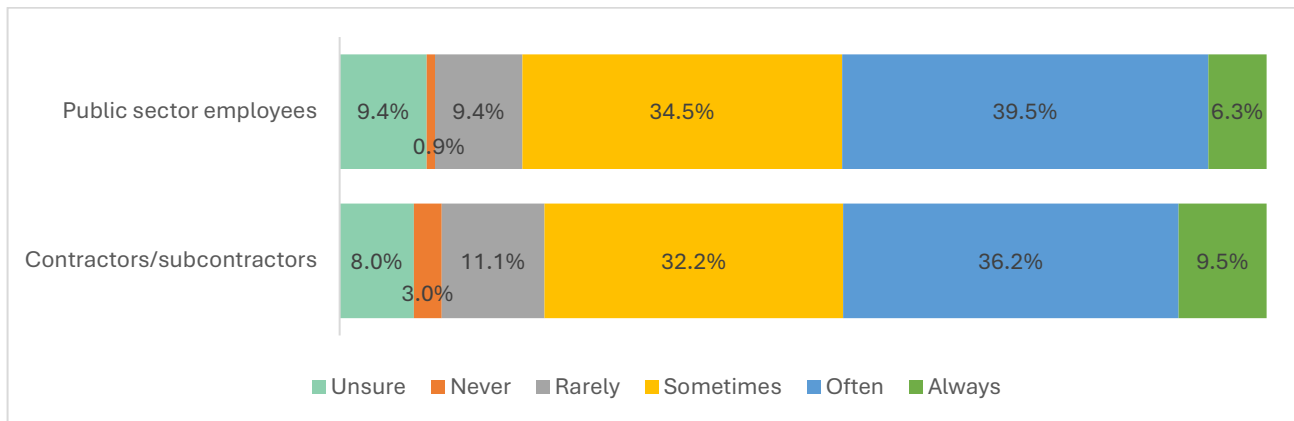


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Just under half of participants believe South Australian public sector contracts often or always offer **value for money** (Figure 2).

Contracts that do not deliver value for money are not necessarily subject to corruption, although poor contract performance may be a red flag for potential corruption.

Figure 2: Perceptions of value for money from South Australian public sector contracts



Major corruption risks to public sector contract management include undeclared and unmanaged conflicts of interests, inappropriate access to sensitive contract information, and public sector employees or suppliers attempting to improperly influence contract management through bribery.

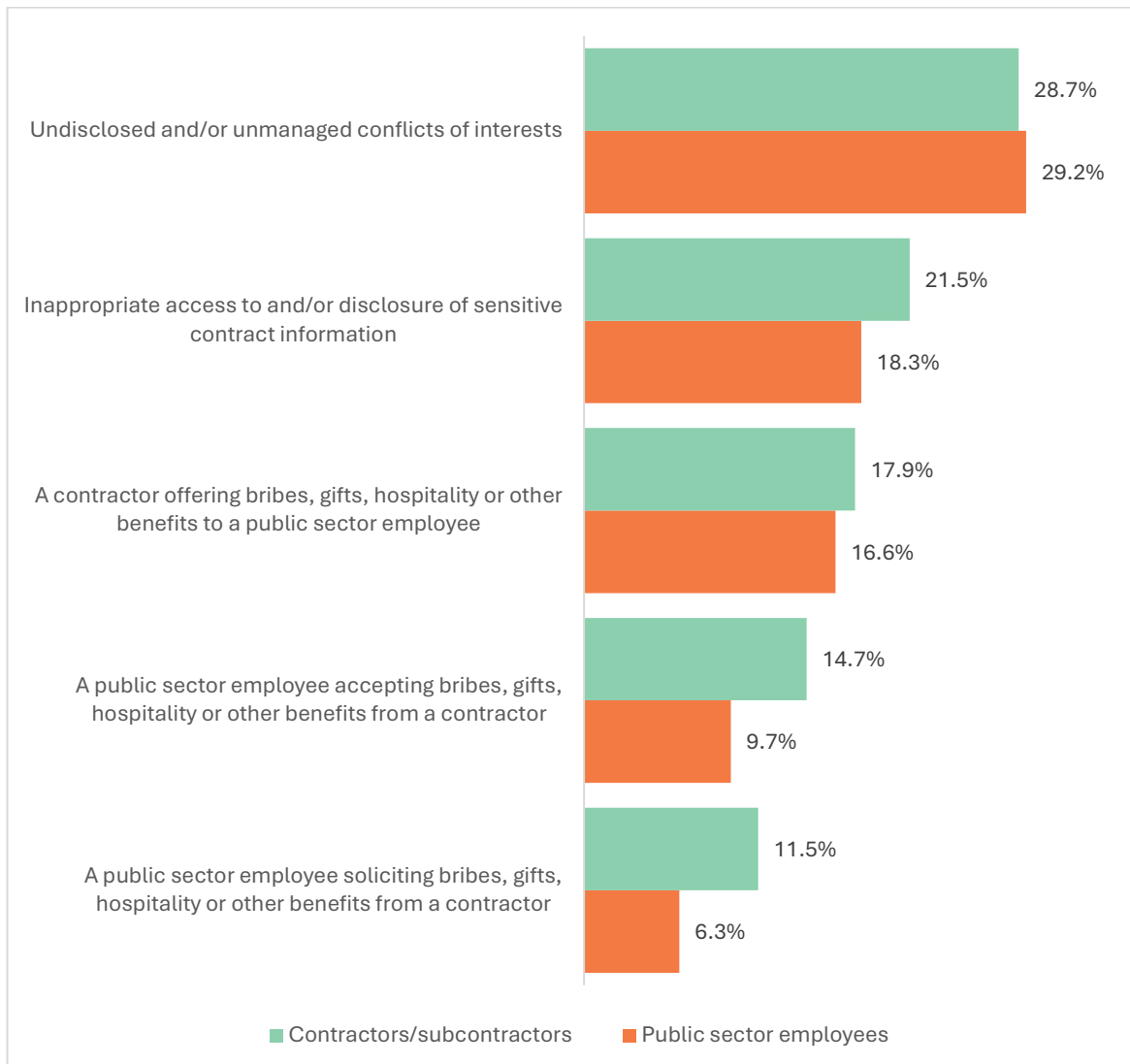
Participants were asked if they believe public sector contract management is vulnerable to those risks.

Approximately one in four participants believe contracts are highly or extremely vulnerable to unmanaged or undisclosed conflicts of interests.

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Around one in five perceive contract management to be vulnerable to **inappropriate access to and/or disclosure of sensitive contract information** (Figure 3).

Figure 3: Perceptions that South Australian public sector contracts are highly/extremely vulnerable to specific corruption risks



The perception that South Australian public sector contracts are vulnerable to potential corruption or other improper conduct may reflect awareness of risks. If risks are understood and appropriate controls are in place, then corruption may be prevented or mitigated.

To understand if participants believe corruption may be occurring, they were asked if they have personally observed or suspected specific corruption risks in the last 12 months.

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Participants believe **undisclosed and/or unmanaged conflicts of interests** is the most prevalent corruption risk they have personally encountered or suspected (Figures 4 and 5).

Figure 4: Perceptions of personally observed or suspected corruption risks relating to South Australian public sector contracts (public sector employees)



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Figure 5: Perceptions of personally observed or suspected corruption risks relating to South Australian public sector contracts (contractors/subcontractors)



CONTRACT AWARD AND NEGOTIATIONS

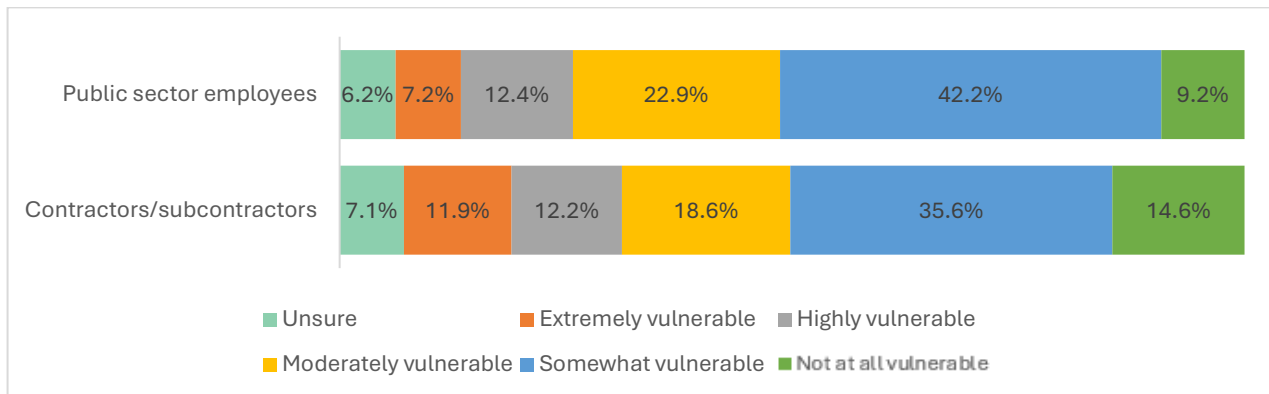
The survey was structured to follow the contract management cycle, starting with post-tender negotiations. Post-tender negotiations occur after tenders have been submitted, but before the tender evaluation is finalised. Such negotiations may be useful to refine proposals and offers and enable agencies to gain better value for money.

Post-tender negotiations may be vulnerable to corruption risks, such as a specific supplier improperly being given access to a competitor’s final tender information, enabling them to adjust their final bid and win the tender.

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Approximately one in five public sector employees and one in four contractors and subcontractors believe **post-tender negotiations are vulnerable to potential corruption** (Figure 6).

Figure 6: Perceptions that post-tender negotiations are vulnerable to potential corruption



Negotiations may also occur after tenders are evaluated and a successful bidder identified, but before the contract is awarded. Although contract price or scope may be legitimately varied at this stage, such variations may also be a red flag for improper conduct.

For instance, an unscrupulous tenderer may deliberately underprice its bid, knowing a public sector employee will approve a higher price before the contract is finalised in return for a personal benefit.

Contractors and subcontractors are more likely than public sector employees to perceive a **contract’s scope or pricing may be varied prior to the contract being awarded** (Figures 7 and 8).

More than one third of contractors and subcontractors believe a contract’s scope is always or often varied during the implementation stage.

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Figure 7: Contract's scope is varied during the implementation stage

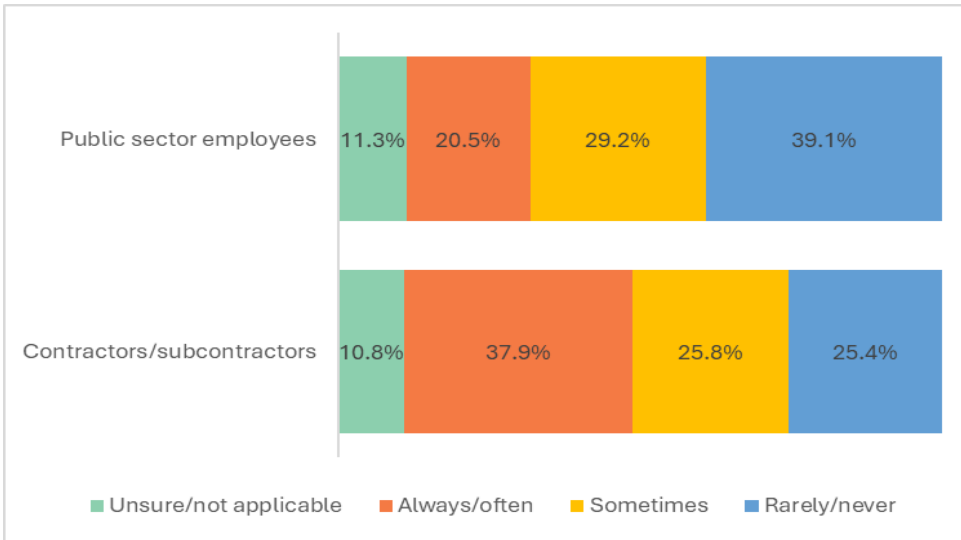
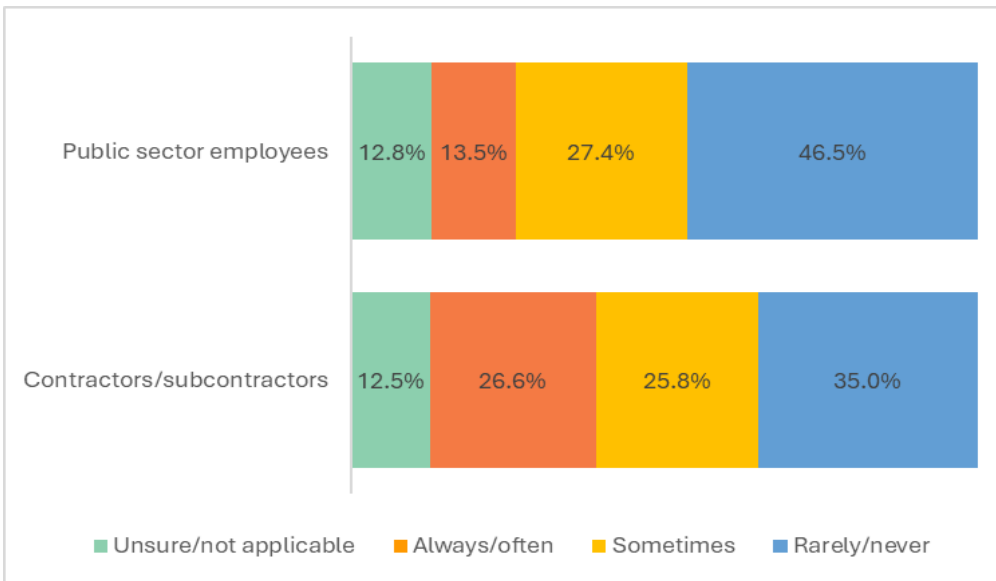


Figure 8: Contract's pricing is varied during the implementation stage



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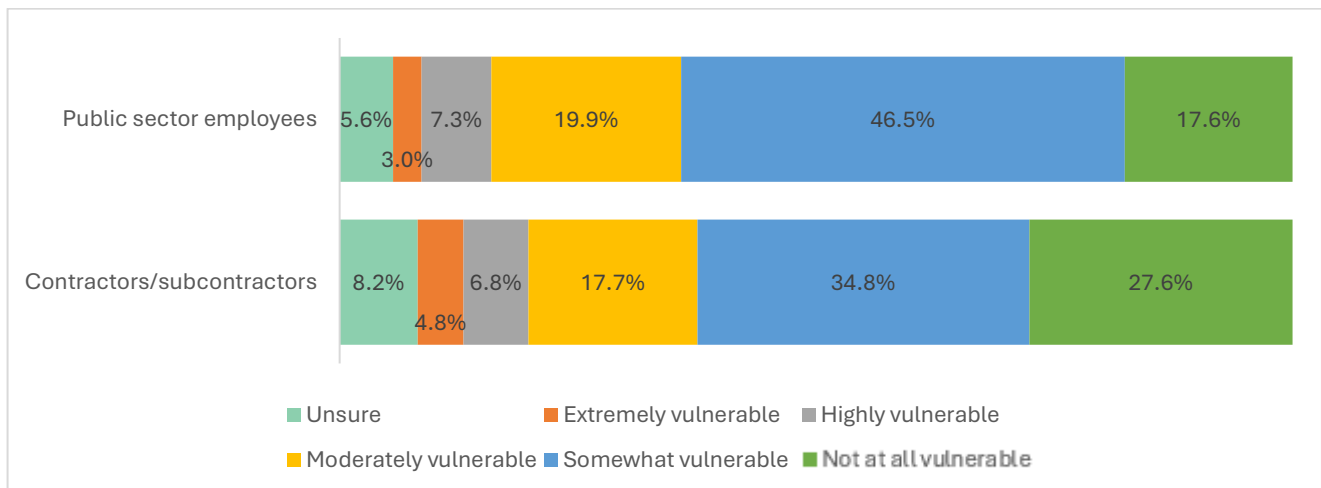
CONTRACT START-UP

The start-up stage of a contract is essential to ensuring its effective execution. At this stage, the contract transitions from the procurement team to the contract manager, and the contract is finalised.

Only a small proportion of participants rated the **contract start-up stage as being vulnerable to potential corruption** (Figure 9).

It may be that pre-contract activities are generally performed diligently. Alternatively, the importance of this stage in protecting the integrity of contract management may be underappreciated.

Figure 9: Perceptions that contract start-up is vulnerable to potential corruption



Participants were asked if, in their experience, specific provisions that may assist to protect agencies from integrity risks are included in contracts. Responses suggest that such provisions are sometimes lacking.

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According to public sector employees, clear performance measures are not always included in the contract (Figure 10).

Just under half of participants believe contracts do not necessarily require contractors to take proactive anti-fraud measures (Figures 10 and 11).

Figure 10: Inclusion of integrity provisions in contracts (public sector employees)

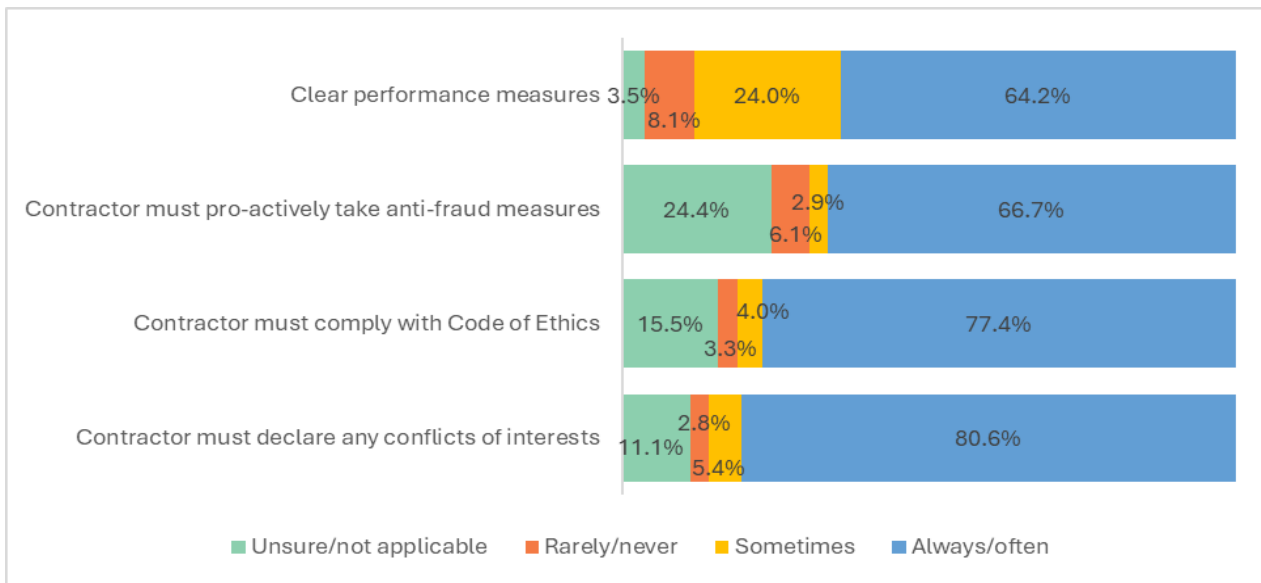
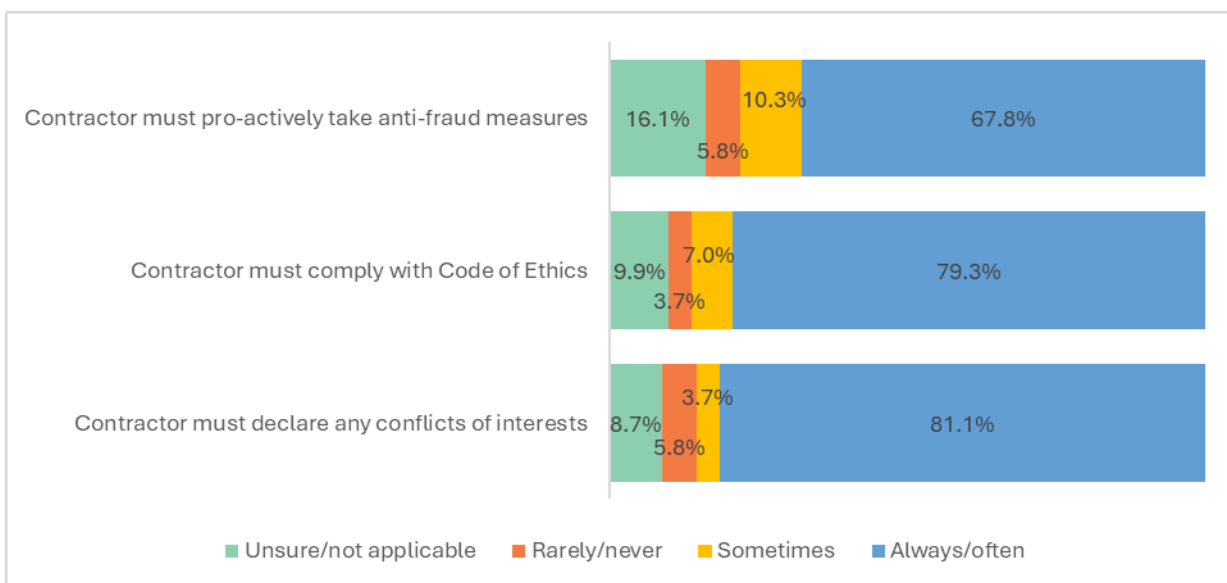


Figure 11: Inclusion of integrity provisions in contracts (contractor/subcontractors)

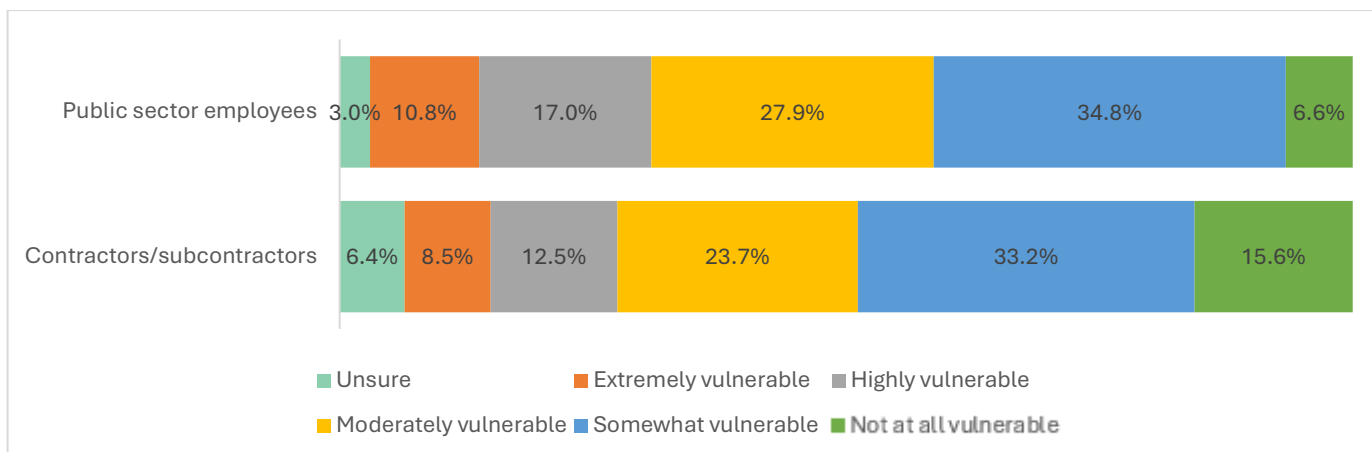


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CONTRACT ADMINISTRATION AND PERFORMANCE MANAGEMENT

Approximately one in four public sector employees and one in five contractors/subcontractors believe that **contract administration and performance management is vulnerable to potential corruption** (Figure 12).

Figure 12: Perceptions that contract administration and performance management is vulnerable to potential corruption

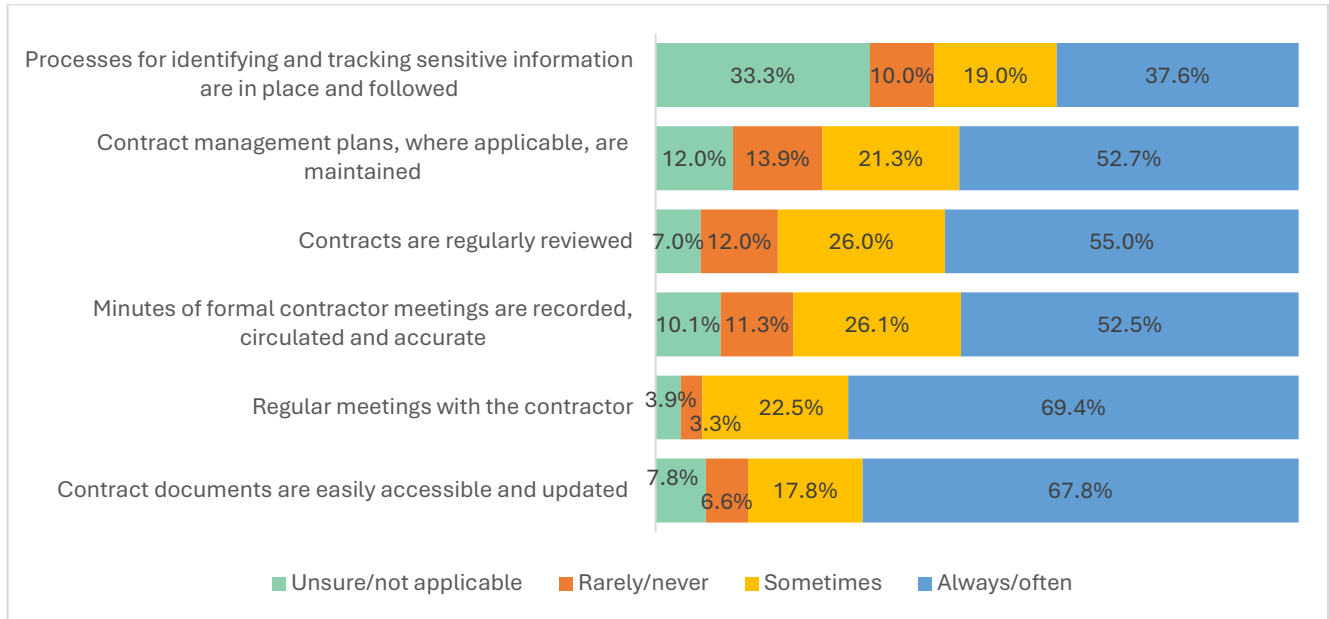


Over a third of public sector employees are unsure if their organisation has **processes for identifying and tracking sensitive information** (Figure 13).

Some do not believe contract management plans are always in place, contracts are regularly reviewed, or minutes of contractor meetings are recorded.

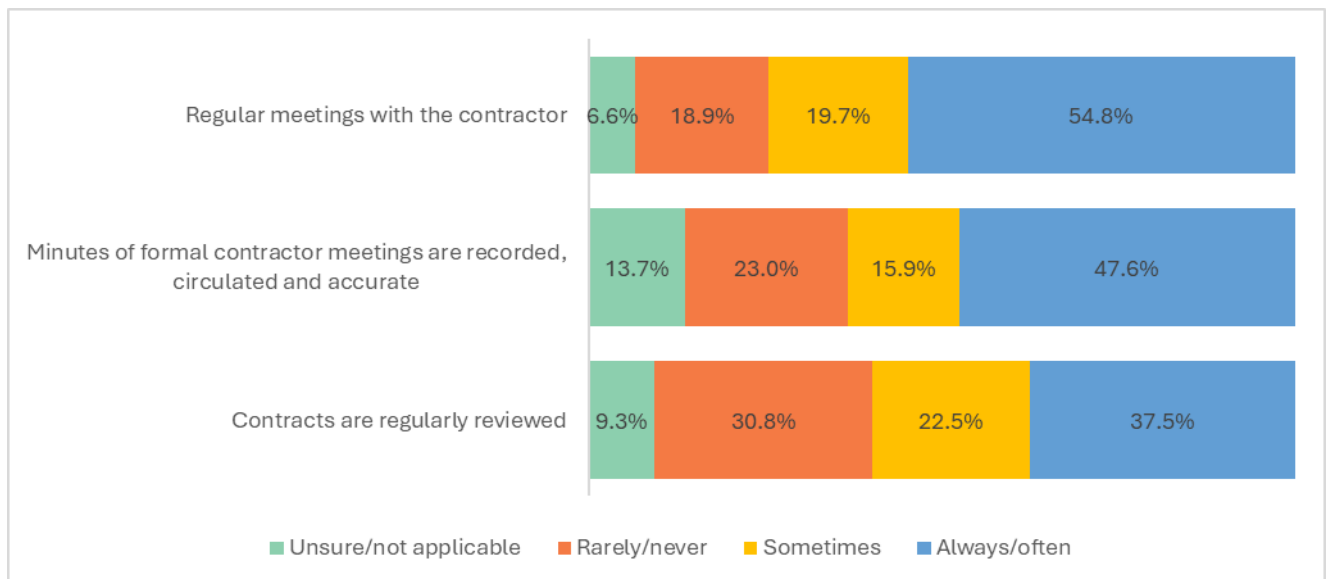
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Figure 13: Perceptions of contract administration practices (public sector employees)



Contractors and subcontractors are less likely than public sector employees to agree there are **regular meetings with contract managers, minutes of meetings are recorded, accurate and circulated, and contracts are regularly reviewed** (Figure 14).

Figure 14: Perceptions of contract administration practices (contractors/subcontractors)



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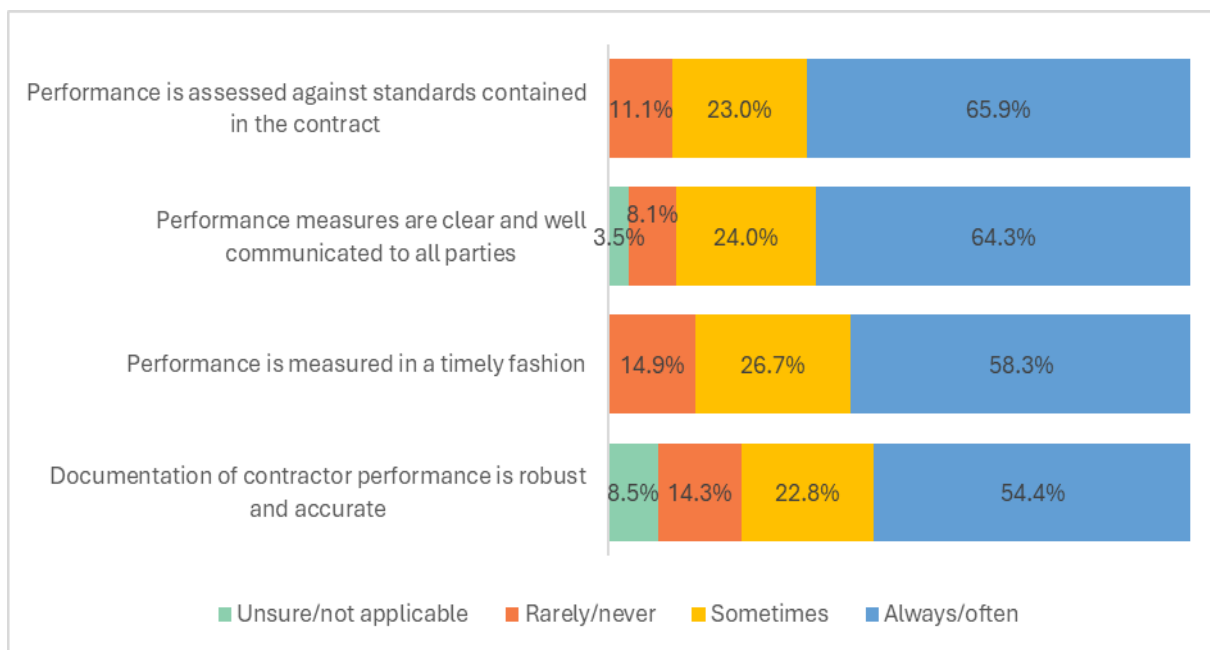
Poor supplier performance is likely to deprive public administration from receiving value for money. It may also be a red flag for potential corruption. For instance, a contractor and a procurement officer may have conspired to award a contract to a shell company they have set up, and once the contract is awarded, the company is unable to deliver the contracted goods or services.

Well-designed and clear performance measures, as well as timely and well-documented assessment of contract performance, may allow for early intervention should a supplier struggle to meet the contract terms and conditions. These measures may also be useful to deter and detect improper conduct.

Although only a small proportion of public sector employees believe contract performance is not measured against standards contained in the contract, and performance measures are not clear and well communicated to all parties (Figure 15), there is room for improvement.

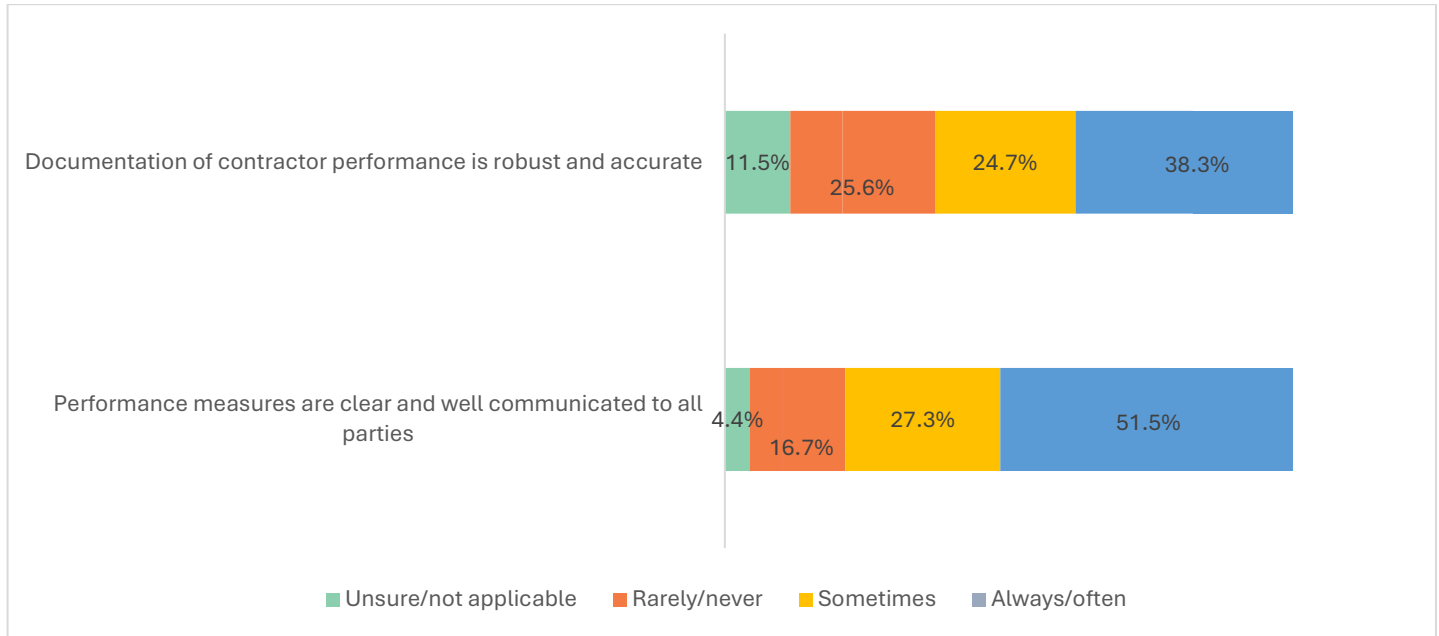
Only approximately half of participants agree that **documentation of contractor performance is always or often robust and accurate** (Figures 15 and 16).

Figure 15: Perceptions of contract performance management (public sector employees)



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Figure 16: Perceptions of contract performance management (contractors/subcontractors)

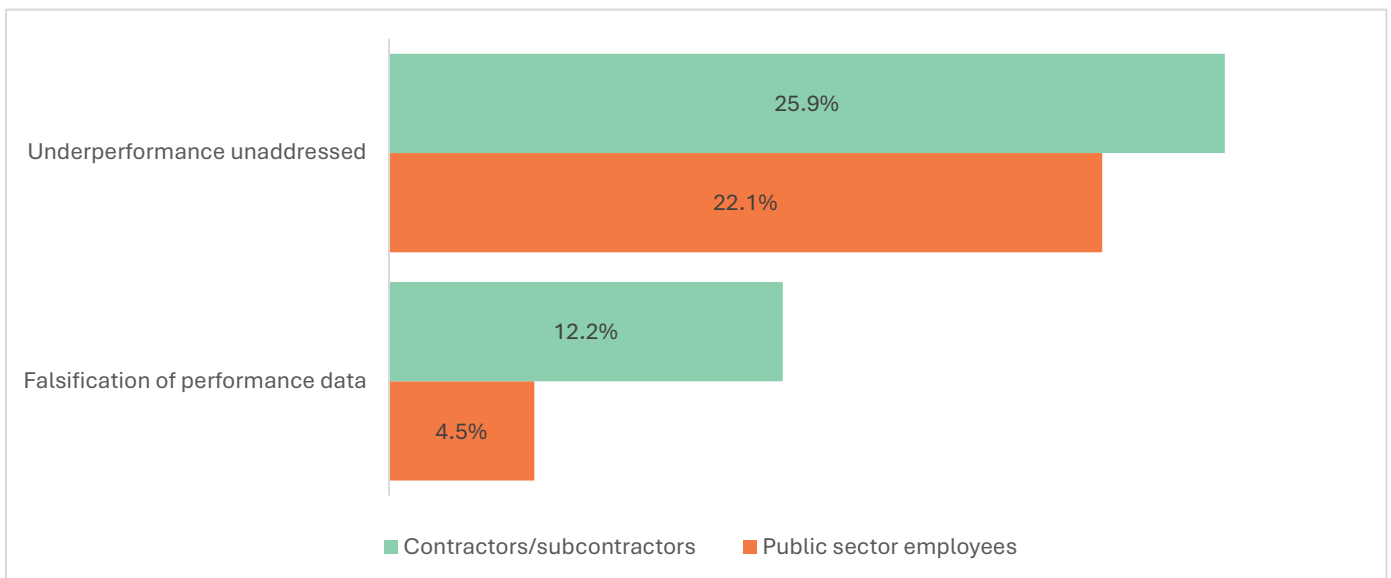


Efforts to hide poor contract performance, or the failure to address it entirely, may be an indicator of a risk of corruption.

Some participants consider contracts to be vulnerable to **poor contract performance going unaddressed** (Figure 17).

A smaller proportion perceive contracts to be at risk of performance data being falsified.

Figure 17: Perceptions that contract performance management is highly/extremely vulnerable to corruption risks



Some participants believe they have personally observed or suspected **contractor underperformance** not being addressed. (Figures 18 and 19).

A small proportion of participants claim they have personally observed or suspected falsification of performance data and/or reports.

Figure 18: Perceptions of personally observed or suspected corruption risks relating to contract performance management (public sector employees)

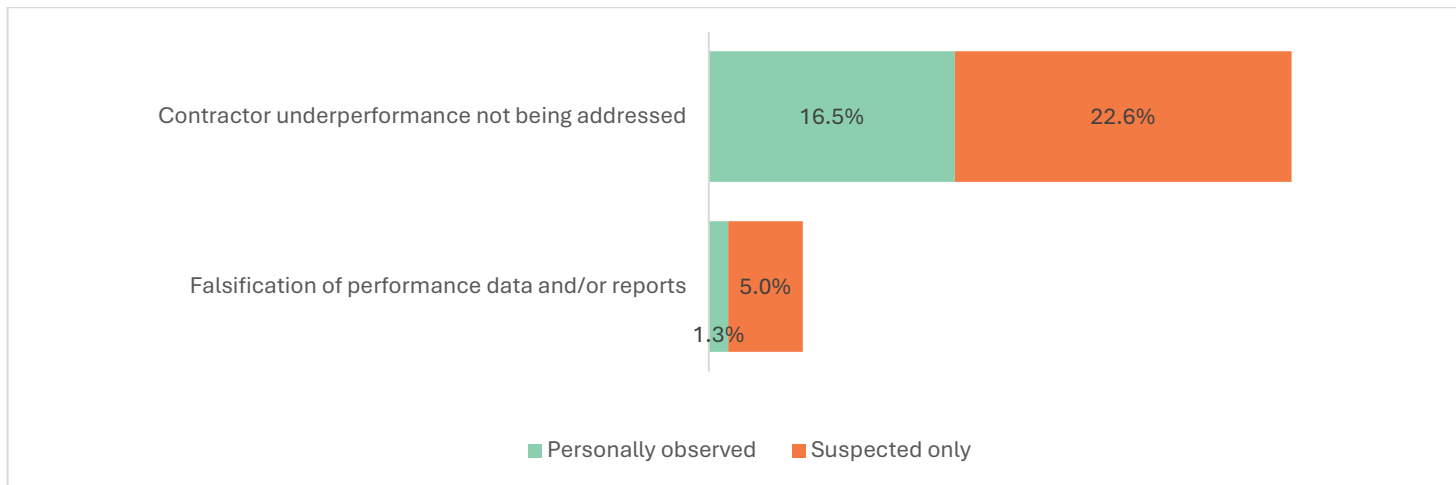
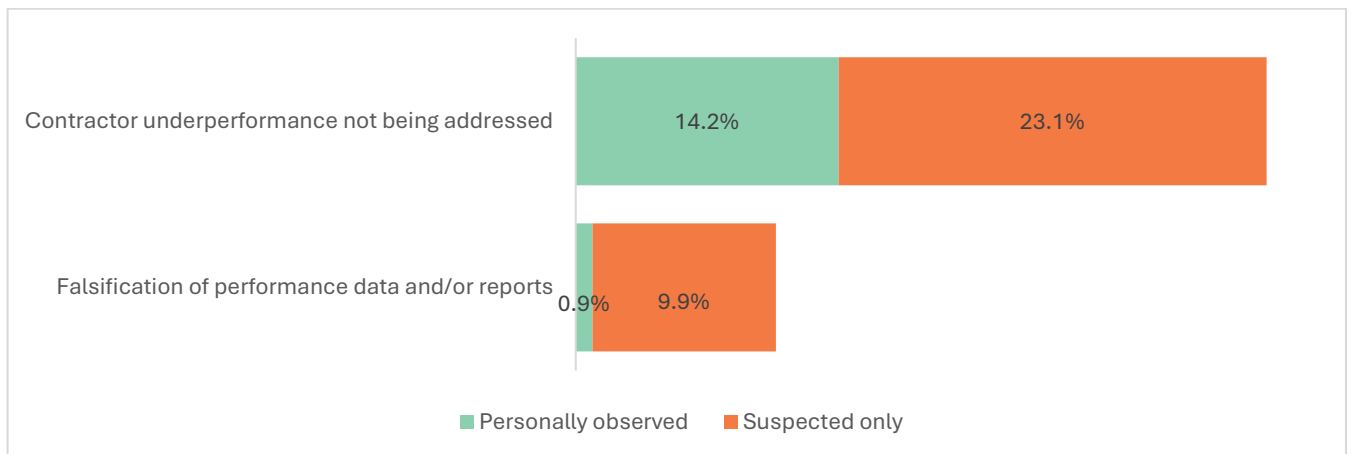


Figure 19: Perceptions of personally observed or suspected corruption risks relating to contract performance management (contractors/subcontractors)



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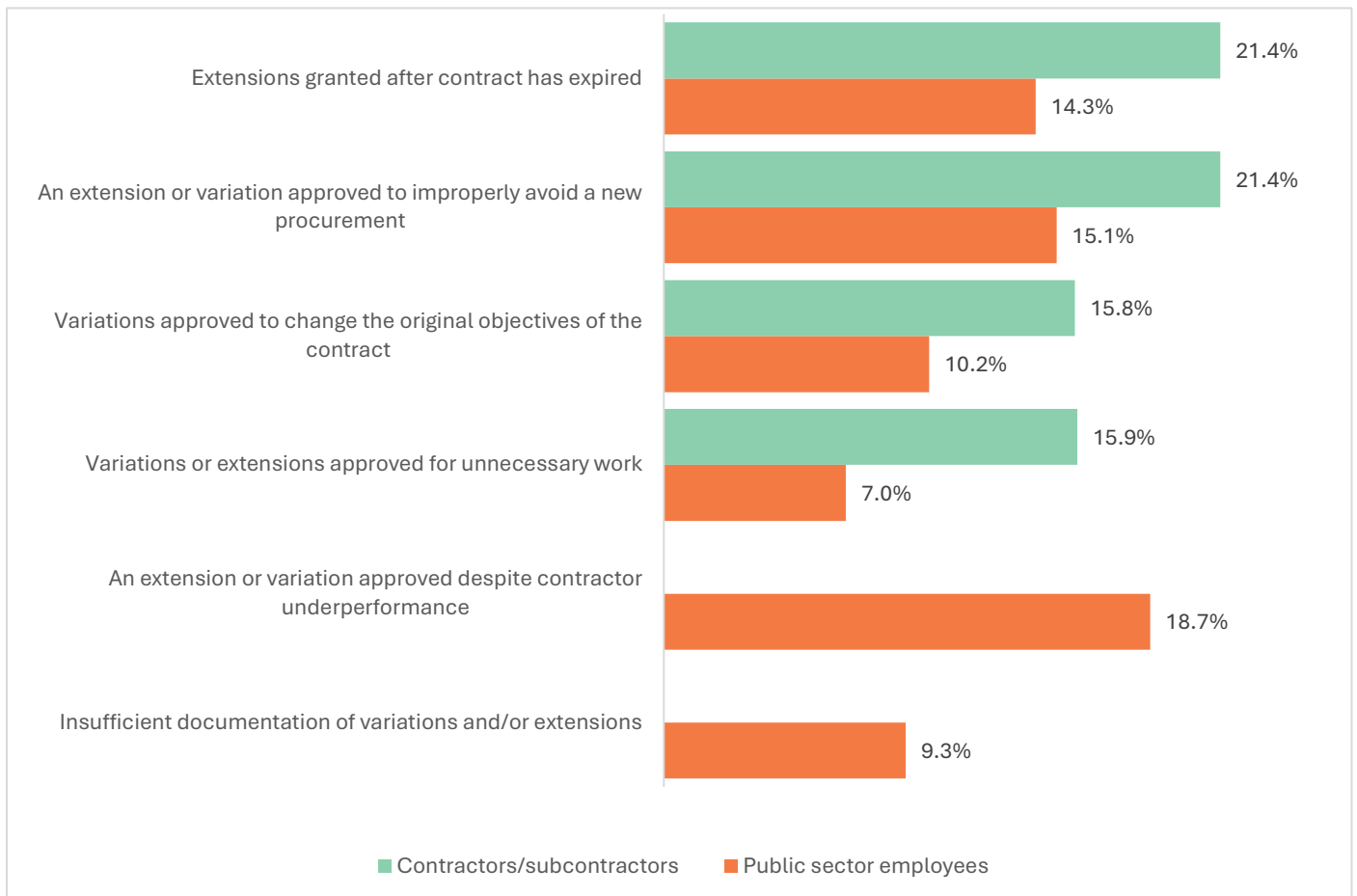
VARIATIONS

A variation involves a change to the contract, whereas an extension allows the contract to go beyond its expiry date. Variations should not be used to change the contract’s original objectives or to avoid undertaking a new procurement if other tenderers could provide better value for money.²

Contract extensions should only be approved if the contract includes an option for an extension, or if an extension option is unavailable but the goods and services are required beyond the contract expiry date and the supplier agrees to continue to supply under the same terms and conditions. Contracts cannot be extended if the contract has expired. Both variations and extensions are expected to provide value for money.³

Contractors and subcontractors are more likely than public sector employees to believe **contracts are vulnerable to the misuse of extensions or variations** (Figure 20).

Figure 20: Perceptions that extensions and variations are highly/extremely vulnerable to misuse

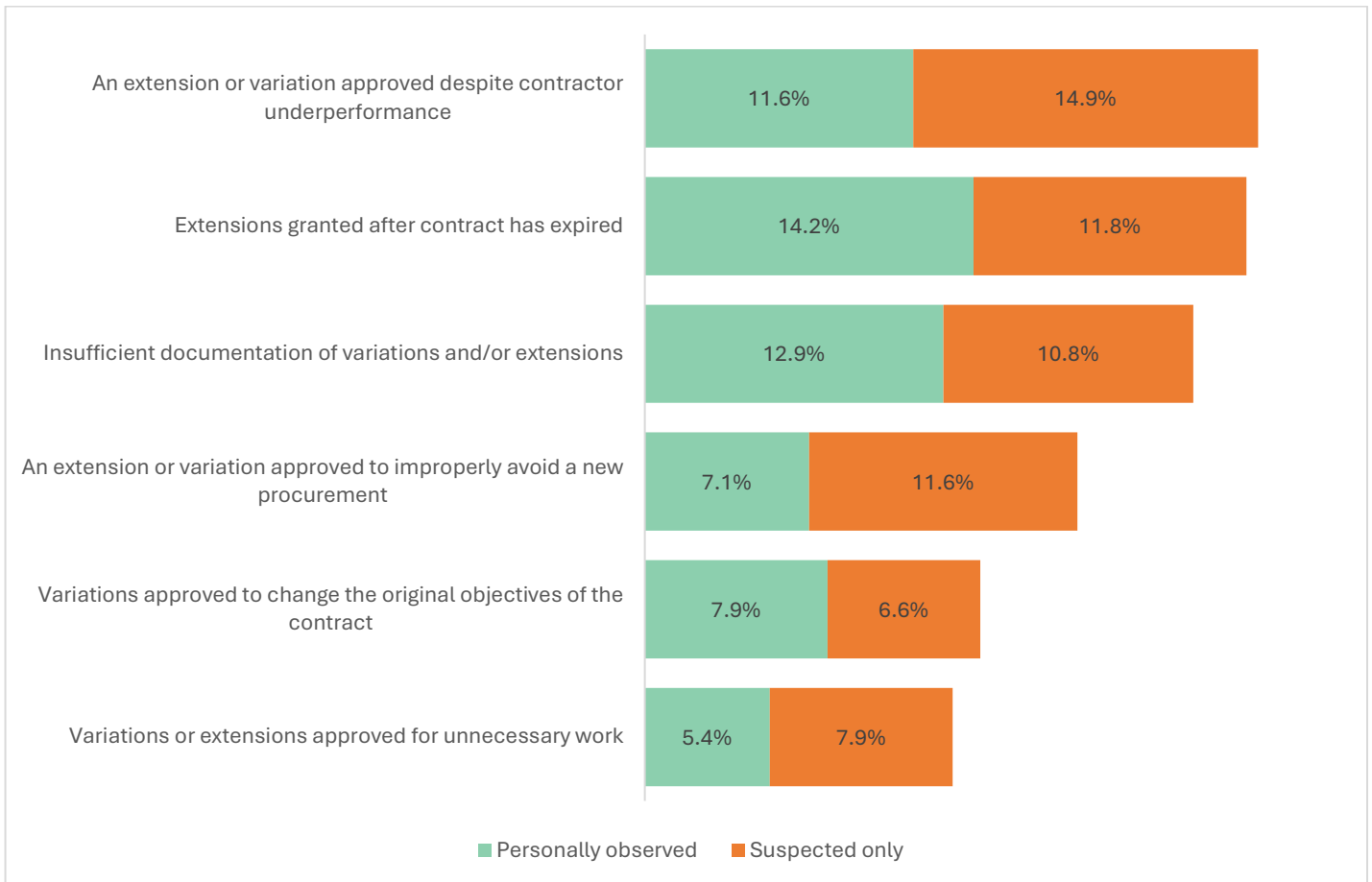


Public sector employees perceive a failure to address contractor underperformance as the most prevalent risk relating to the misuse of extensions or variations.

Approximately one in five contractors and subcontractors believe contracts are highly or extremely vulnerable to being extended after the contract has expired or varied to improperly avoid a new procurement.

Public sector employees are most likely to suspect the **granting of extensions despite contractor underperformance** (Figure 21). They are also most likely to believe they have observed **variables and/or extensions being approved without sufficient documentation**.

Figure 21: Perceptions of personally observed or suspected misuse of variations or extensions (public sector employees)

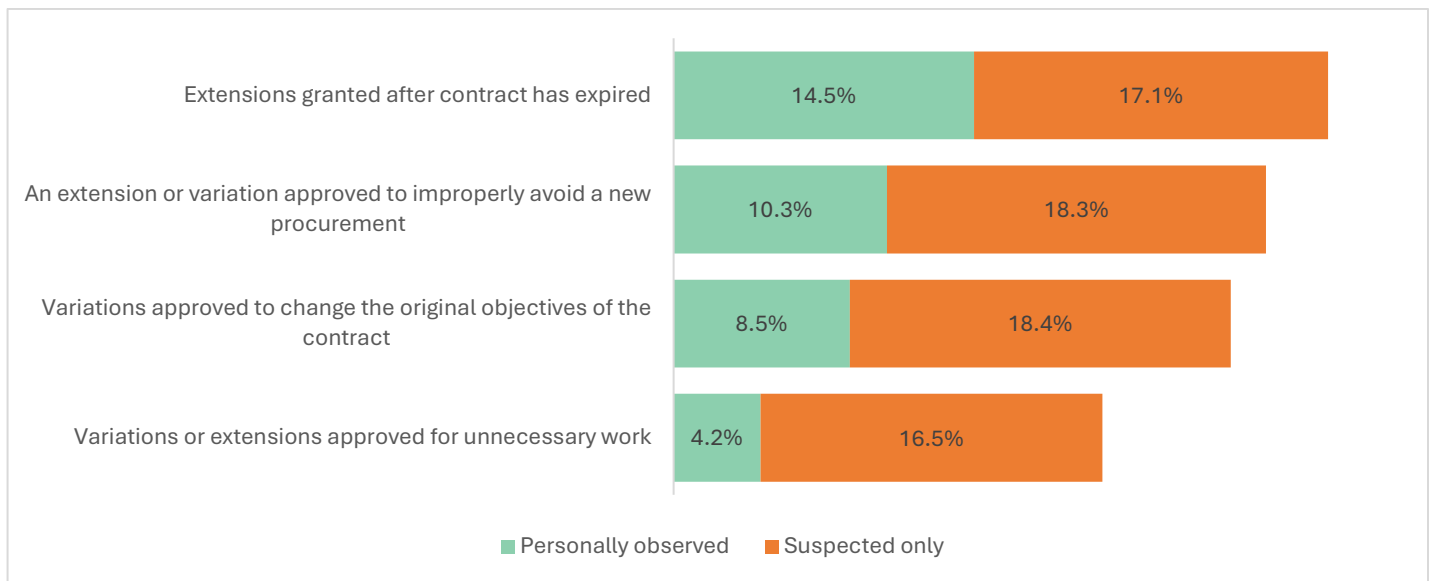


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Compared to public sector employees, contractors and subcontractors are more likely to have observed or suspected **misuse of variations or extensions** (Figure 22).

Contractors and subcontractors are most likely have observed extensions being granted after a contract has expired.

Figure 22: Perceptions of personally observed or suspected misuse of variations or extensions (contractors/subcontractors)



CONTRACT PAYMENT

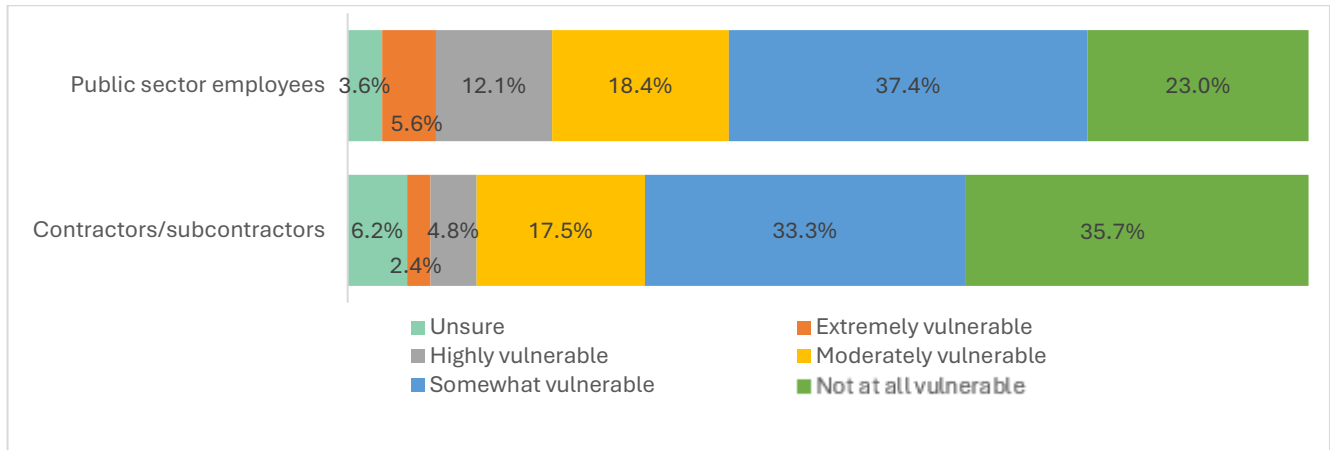
Payment for public sector contracts involves contractors invoicing the commissioning public sector agency for goods or services provided, and the agency approving payment. It is essential that the provision of goods or services provided meets the expected standards before payment is approved.

Most commonly, corruption in the payment of contracted goods or services occurs when a contractor deliberately submits an invoice for work that has not been performed, is incomplete, or is substandard. A public sector employee may also corruptly collude with a contractor to approve fake invoices.

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Public sector employees are more likely than contractors or subcontractors to believe **contract invoicing and payment is highly or extremely vulnerable to potential corruption** (Figure 23).

Figure 23: Perceptions that contract invoicing and payment is vulnerable to potential corruption

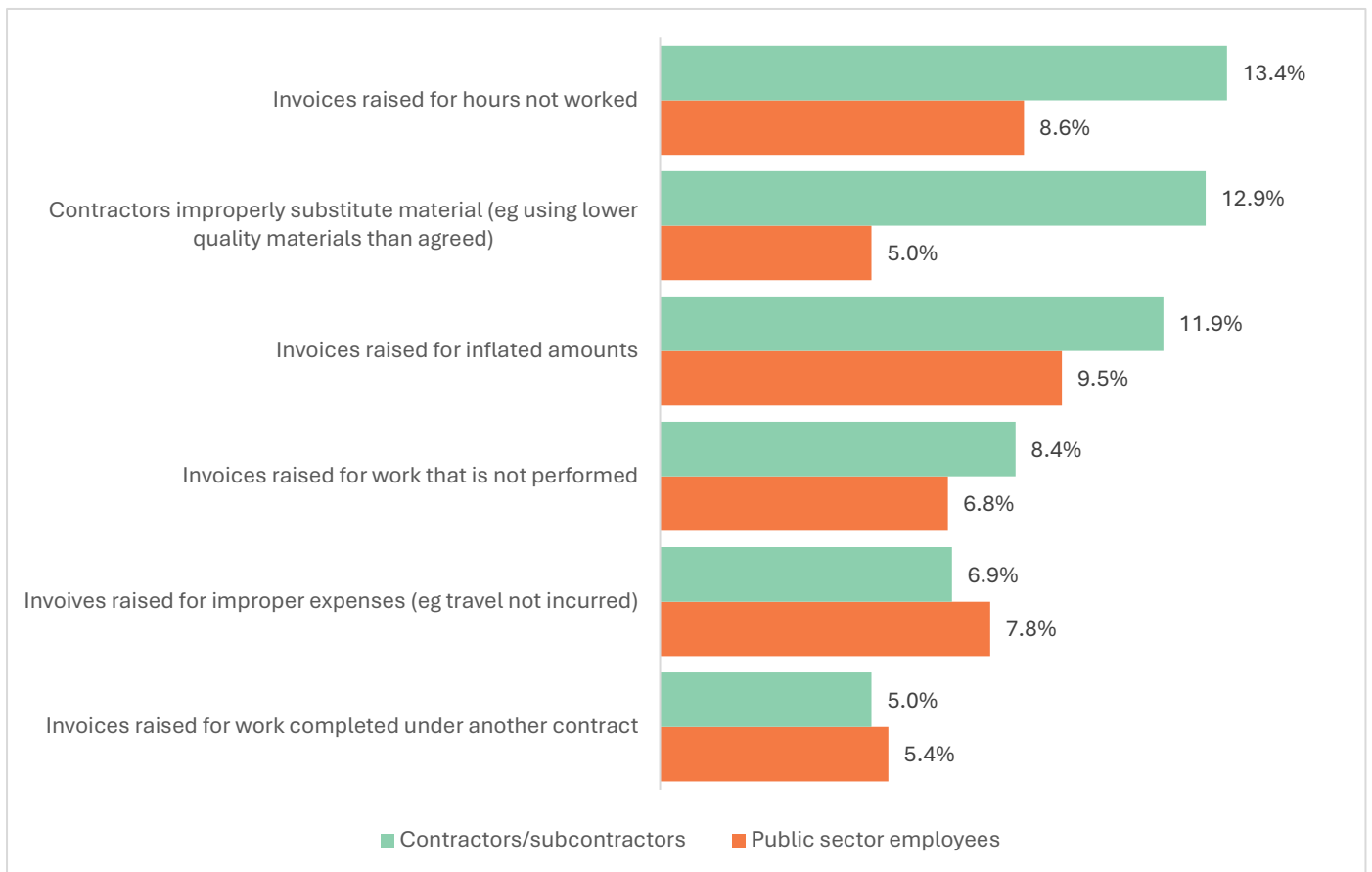


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Contractors and subcontractors consider **invoices being raised for hours not worked**, and **contractors improperly using substituted materials**, as the most prevalent vulnerabilities facing the raising of invoices (Figure 24).

Public sector employees identified invoices being raised as being vulnerable to inflated amounts and for hours not worked.

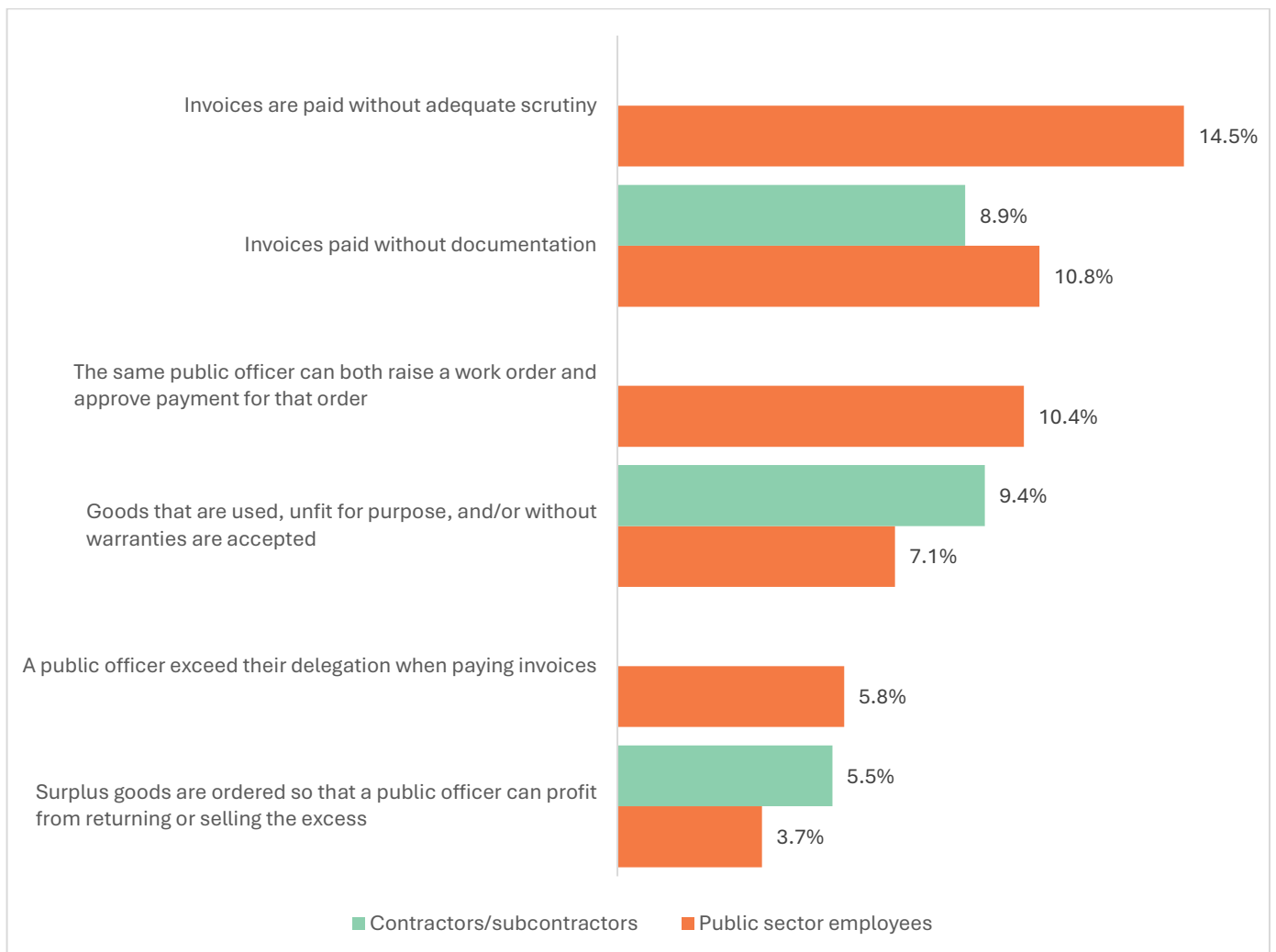
Figure 24: Perceptions that contract invoicing is highly/extremely vulnerable to potential corruption



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Public sector employees consider **invoices being paid without adequate scrutiny** to be the most vulnerable activity relating to invoice payment (Figure 25). Contractors and subcontractors perceive the **acceptance of unfit goods** to be the most prevalent vulnerability.

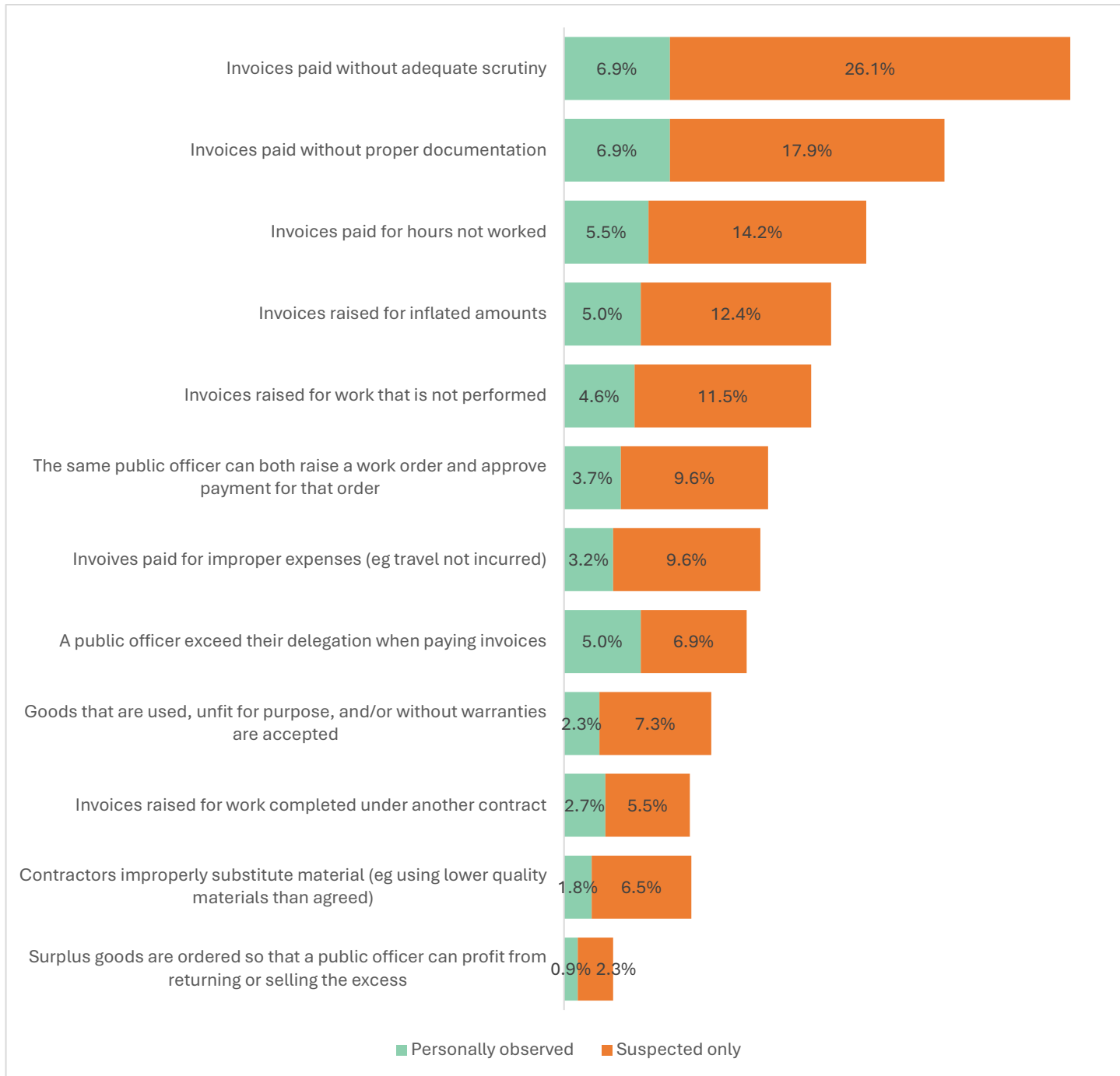
Figure 25: Perceptions that contract payment is highly/extremely vulnerable to potential corruption



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More than a quarter of public sector employees suspect invoices are paid to contractors without adequate scrutiny (Figure 26).

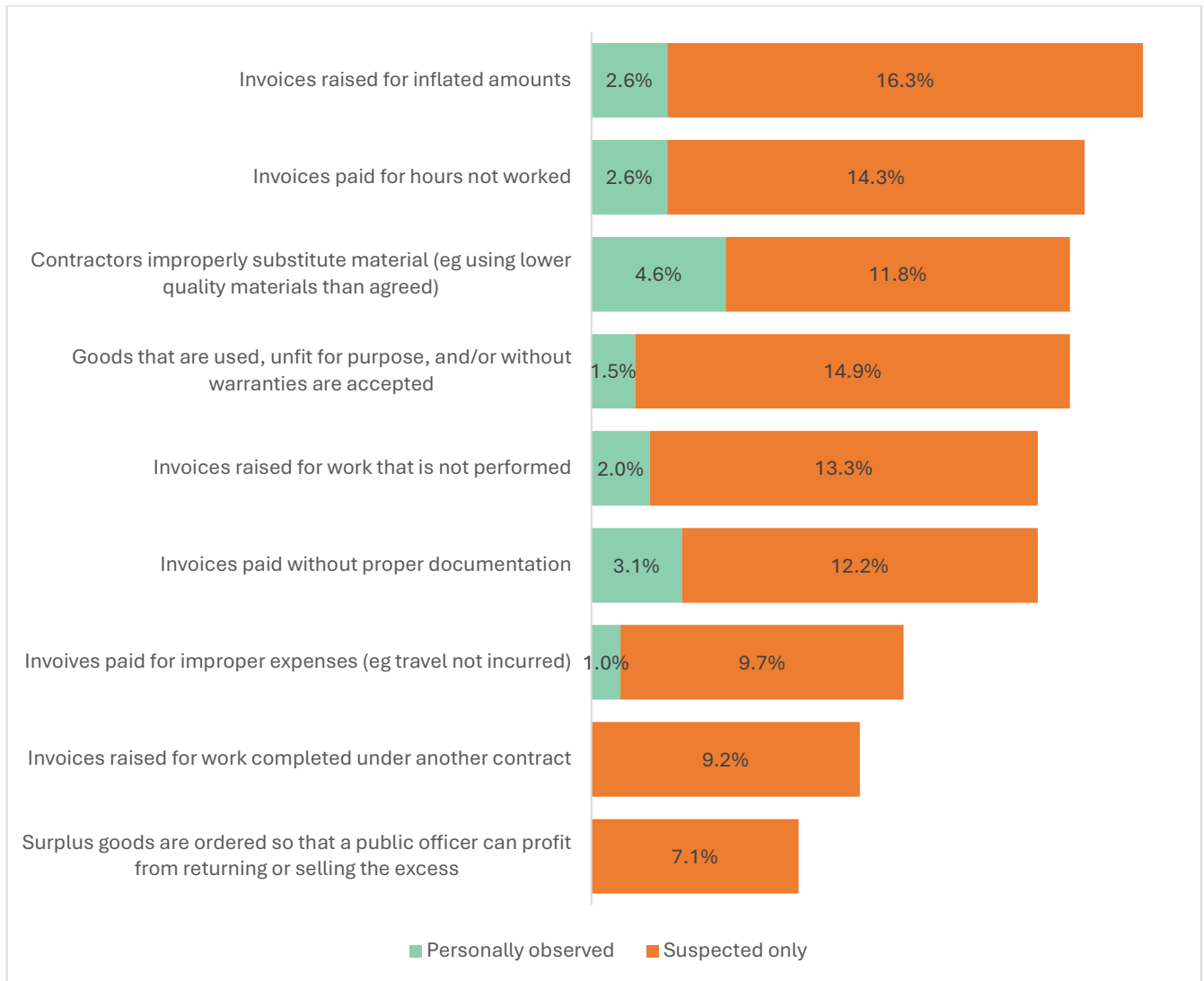
Figure 26: Perceptions of personally observed and suspected corruption risks relating to contract invoicing and payment (public sector employees)



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The failure to properly scrutinise invoices creates potential incentives for suppliers to submit false invoices. Contractors and subcontractors were most likely to suspect invoices being raised for inflated amounts (Figure 27).

Figure 27: Perceptions of personally observed and suspected corruption risks relating to contract invoicing and payment (contractors/subcontractors)



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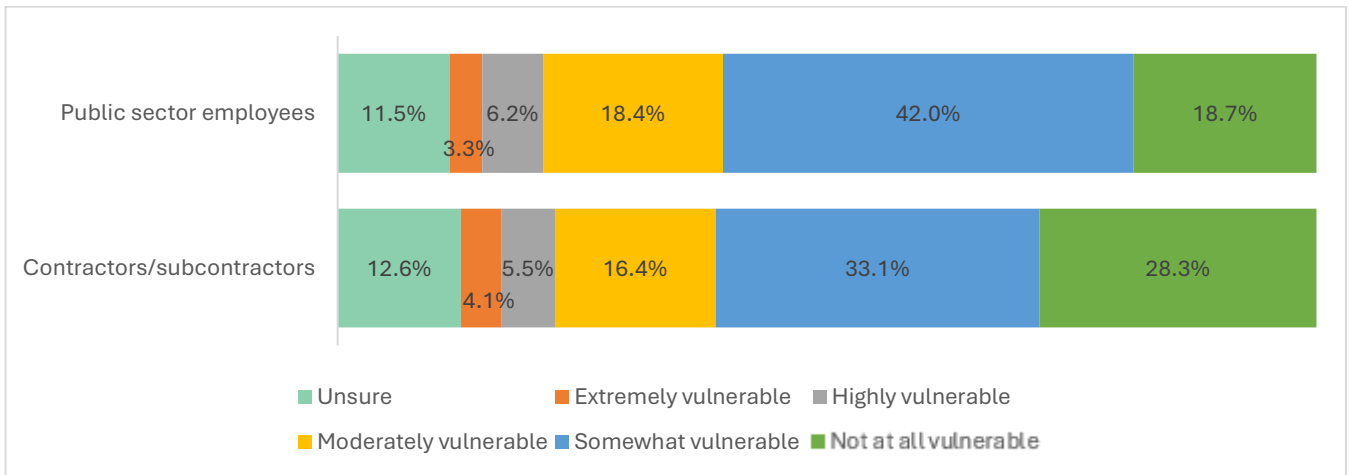
CONTRACT CLOSURE

Robust contract closure activities, such as resolving all items in the contract’s terms and conditions, assists to protect contract closure from impropriety. A contractor being paid for incomplete work may be an indicator of potential corruption.

Activities that occur after the contract has closed, such as post-contract reviews, are useful in identifying areas for improvement for future contracts. Such activities may also detect corrupt conduct.

More than half of the participants perceive contract closure is somewhat or not at all vulnerable to potential corruption (Figure 28).

Figure 28: Perceptions that contract closure is vulnerable to potential corruption

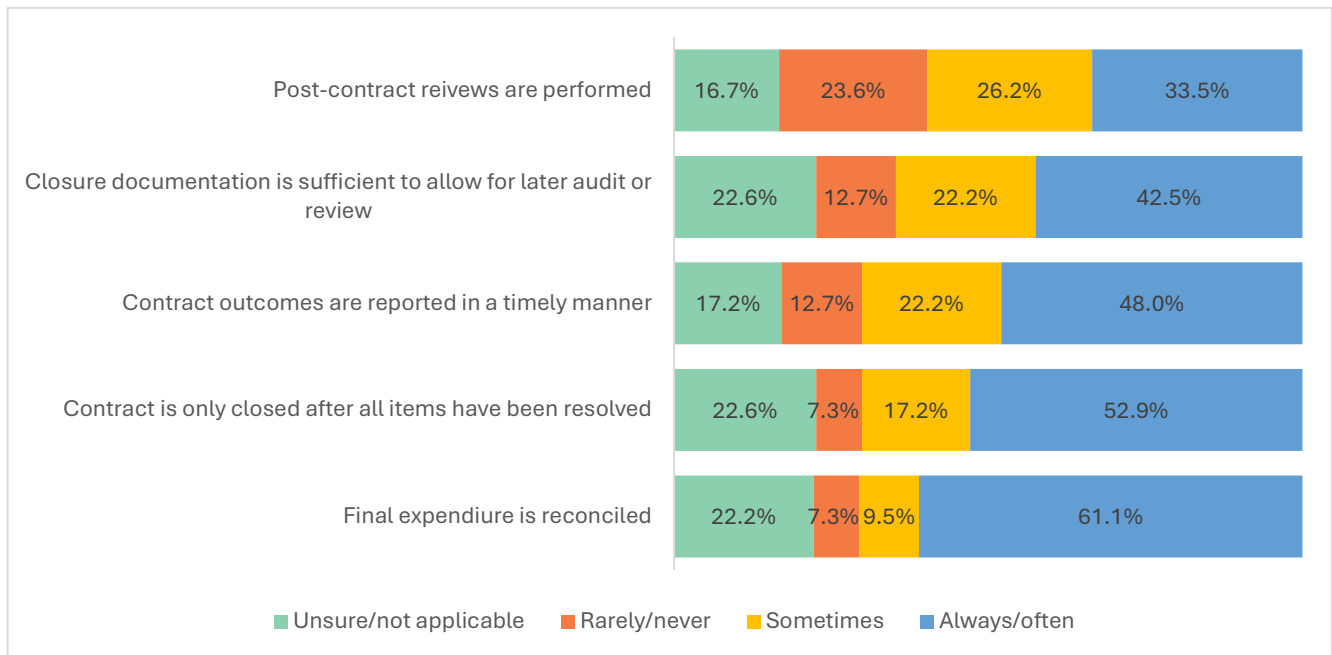


Public sector employees were asked if activities that may assist to protect the integrity of contract closure are undertaken. Approximately one third of public sector employees responded that post-contract reviews are often or always conducted.

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Less than half believe **closure documentation is often or always sufficient for later audit or review** (Figure 29).

Figure 29: Contract management practices relating to contract closure (public sector employees)

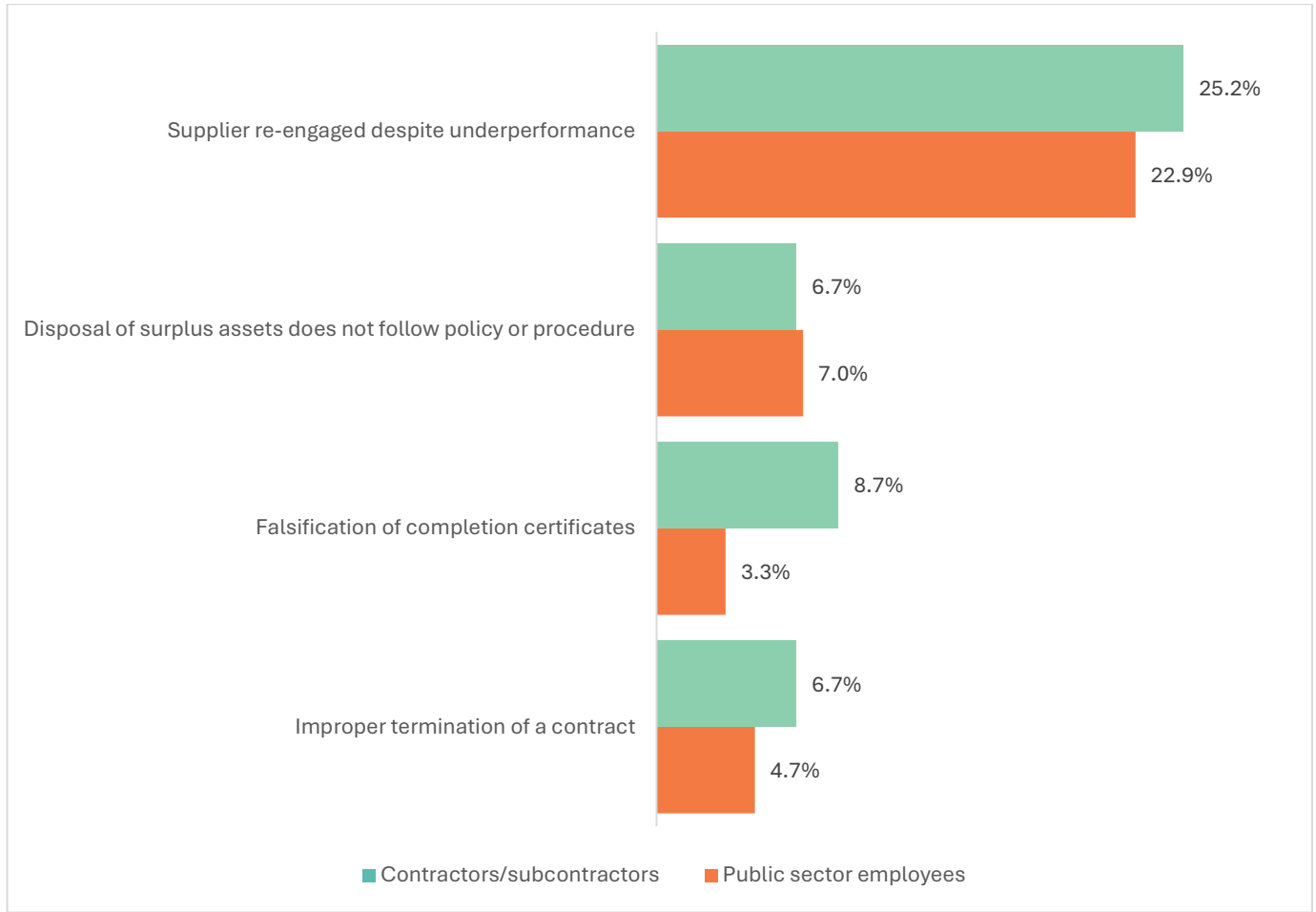


Participants perceive **re-engagement of underperforming suppliers** to be the most prevalent corruption risk relating to contract closure (Figure 30).

Re-engaging an underperforming supplier is likely to undermine value for money. It may also be a red flag for potential corruption, such as a public sector employee with an undeclared interest in a supplier’s company improperly influencing a subsequent contract.

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Figure 30: Perceptions that contract closure activities are highly/extremely vulnerable to potential corruption



Re-engagement of an underperforming supplier is not just perceived to be a vulnerability. Participants considered re-engagement of an underperforming supplier to be the greatest risk associated with contract closure that they have suspected and observed (Figures 31 and 32).

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Figure 31: Perceptions of personally observed and suspected corruption risks relating to contract closure (public sector employees)

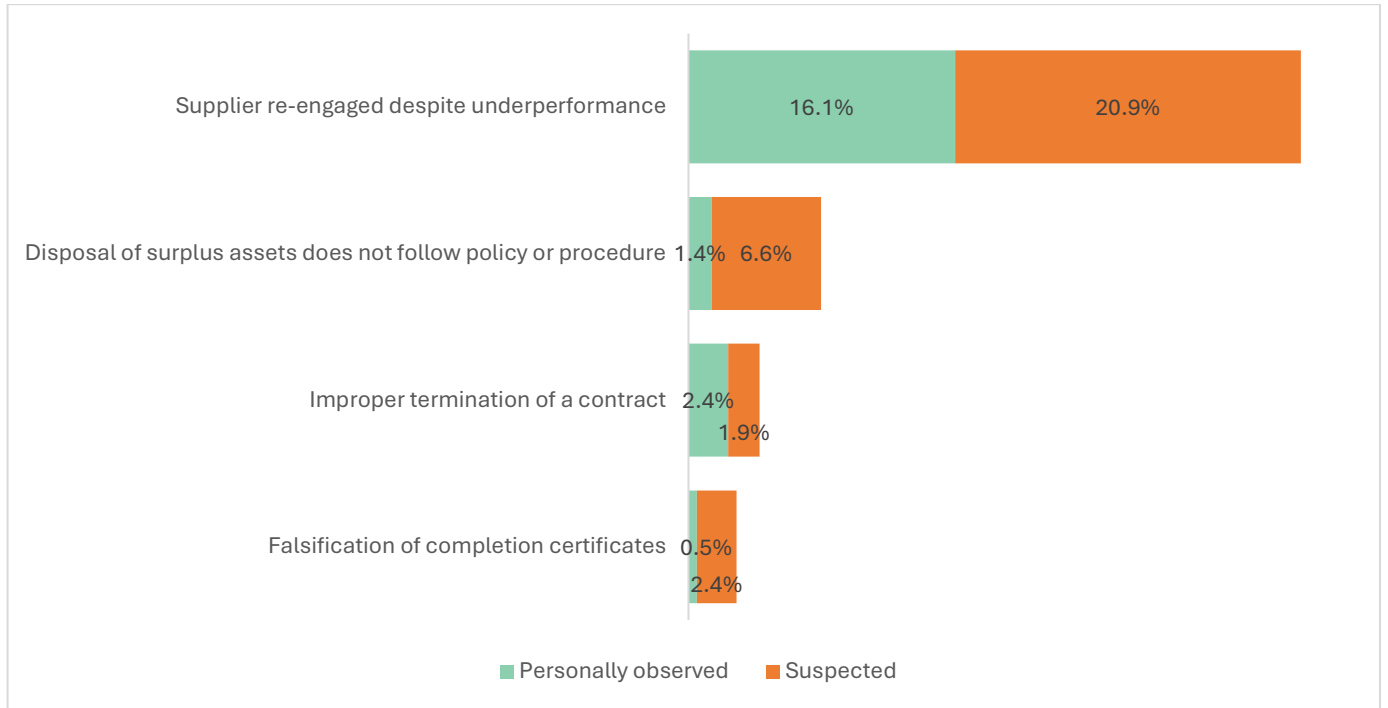
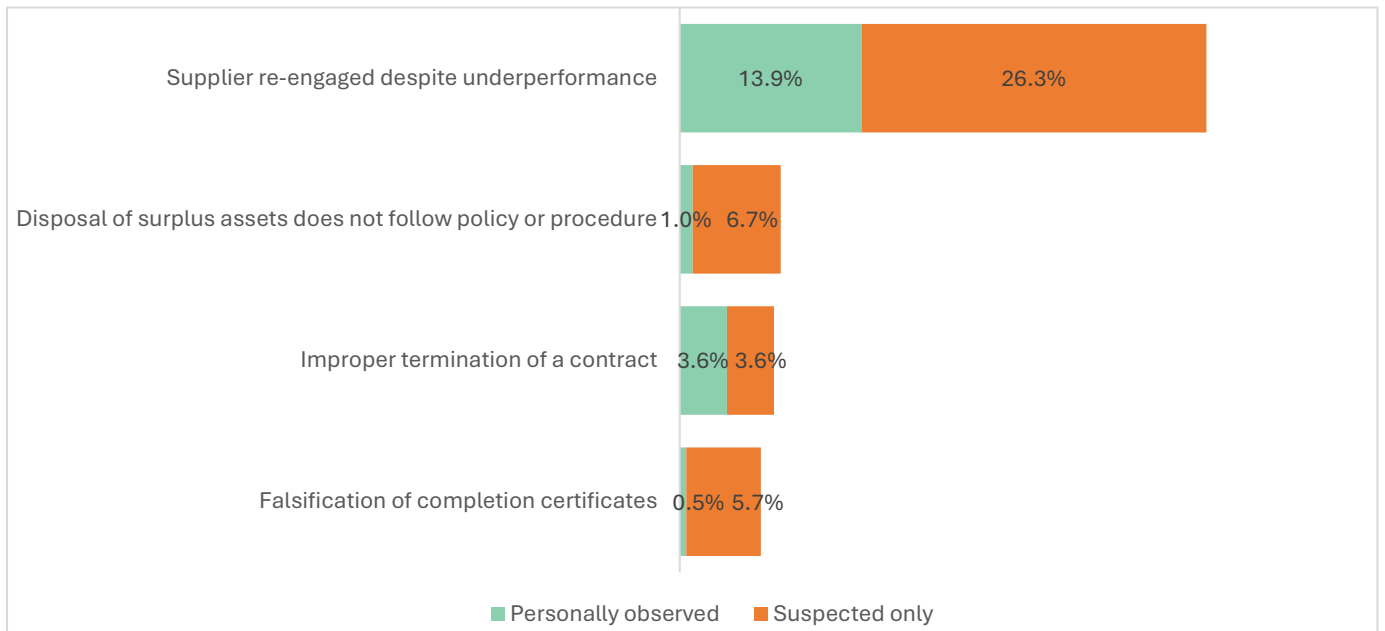


Figure 32: Perceptions of personally observed or suspected corruption risks relating to contract closure (contractors/subcontractors)

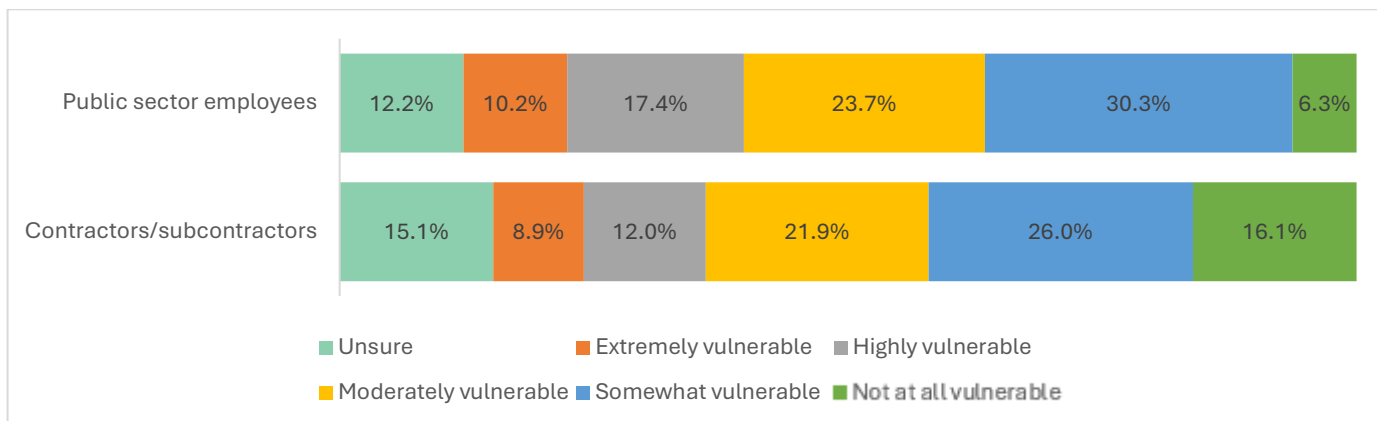


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SUBCONTRACTING

Subcontracting arrangements can be complex, multilayered and difficult for public sector agencies to monitor. Approximately one in four public sector employees and one in five contractors/subcontractors perceive subcontracting to be highly or extremely vulnerable to potential corruption (Figure 33).

Figure 33: Perceptions that subcontracting is vulnerable to potential corruption



Almost one third of public sector employees (31.3%) and 42.8% of contractors and subcontractors responded that they are involved in subcontracting. Those participants were asked further questions about their perceptions of corruption risks relating to subcontracting.

There is a **considerable difference in the views** of contractors and subcontractors on the one hand, and public sector employees on the other, about the **vulnerability of subcontracting to corruption risks** (Figure 34).

One likely explanation for this is that public sector employees do not have a sufficient understanding of corruption risks relating to subcontracting. It is also possible that subcontractors are managed by head contractors, and that public sector contract managers trust head contractors to manage corruption risks.

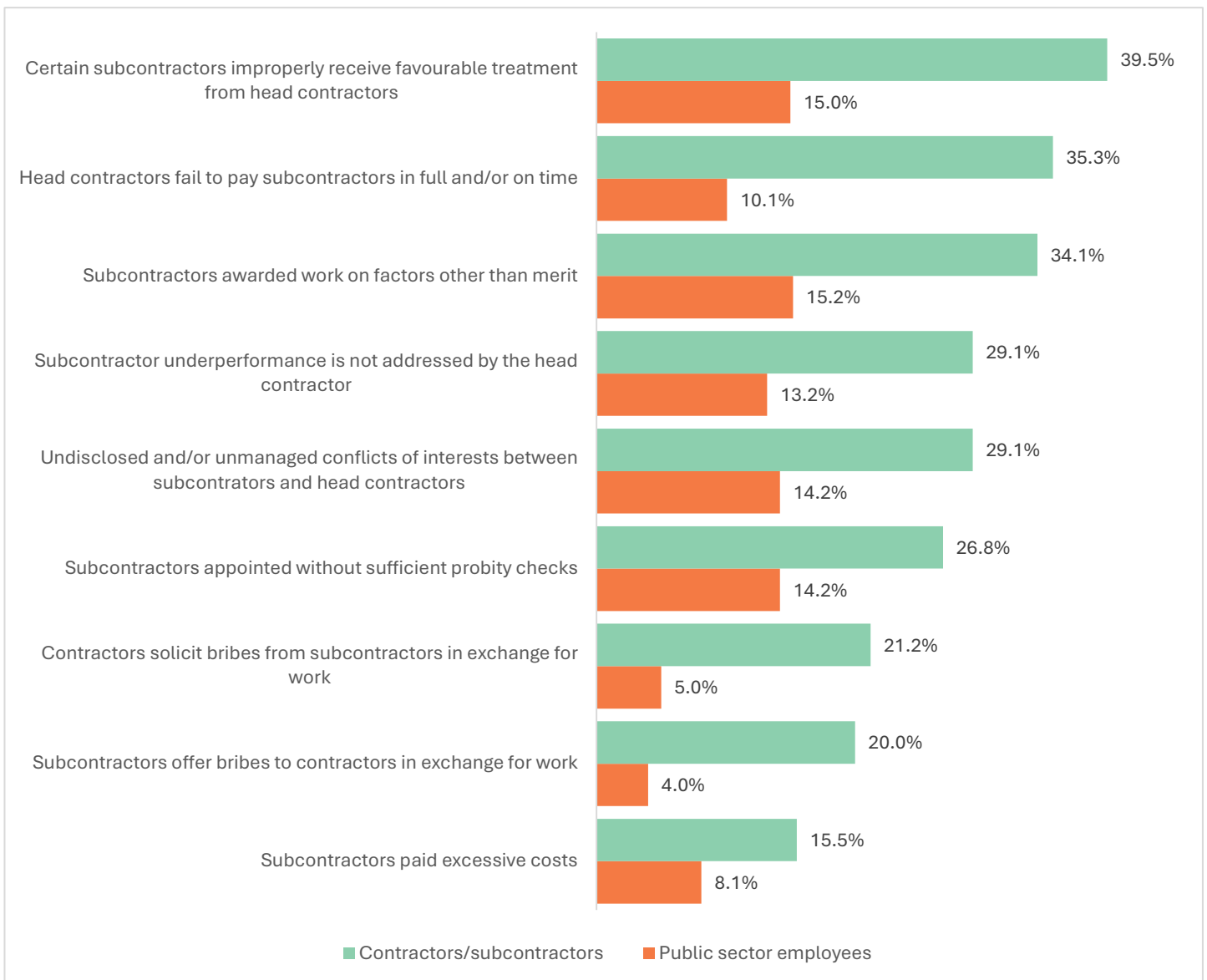
There may be instances where that trust is misplaced.

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Four in ten contractors and subcontractors perceive subcontracting to be highly or extremely vulnerable to head **contractors improperly favouring certain subcontractors**. One third believe that subcontracting is vulnerable to **head contractors failing to pay subcontractors in full and/or on time**, and **subcontractors are being awarded work on factors other than merit**.

Public sector employees are most likely to perceive that the most prevalent integrity risks facing subcontracting are head contractors improperly favouring certain subcontractors, and head contractors awarding work to subcontractors on favours other than merit.

Figure 34: Perception that subcontracting is highly/extremely vulnerable to potential corruption



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Contractors and subcontractors are more likely than public sector employees to believe they have observed corruption risks relating to subcontracting (Figures 35 and 36). Public sector employees are most likely to suspect subcontractors **offering bribes** to contractors in exchange for work, and to claim they have personally observed **non- or late payment of subcontractors**.

Improper favouritism of subcontractors by head contractors is the most prevalent corruption risk suspected by contractors and subcontractors. One in five contractors and subcontractors claim to have observed certain subcontractors being improperly favoured by head contractors, and head contractors failing to pay subcontractors in full or on time.

Figure 35: Perceptions of personally observed or suspected corruption risks relating to subcontracting (public sector employees)

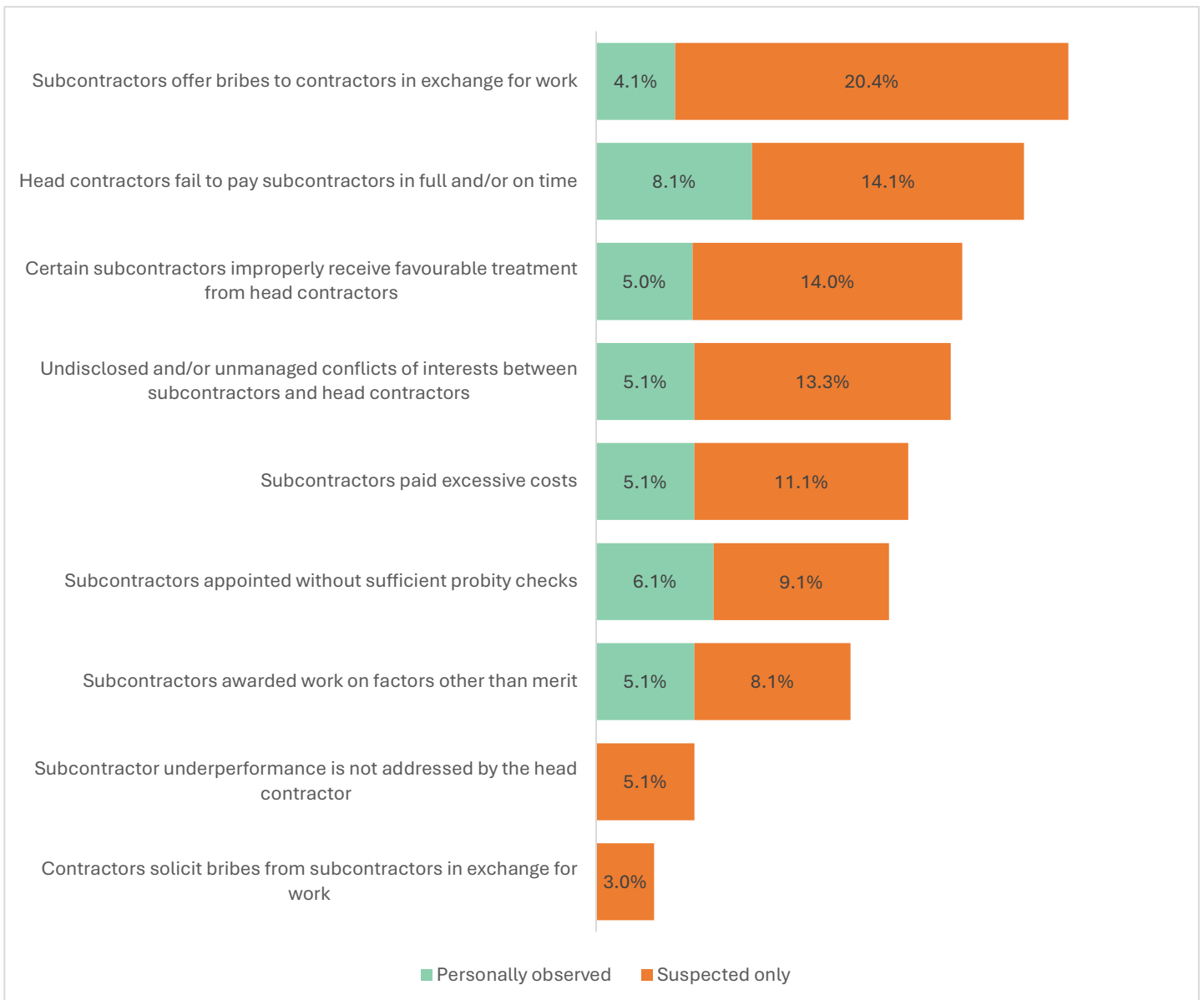
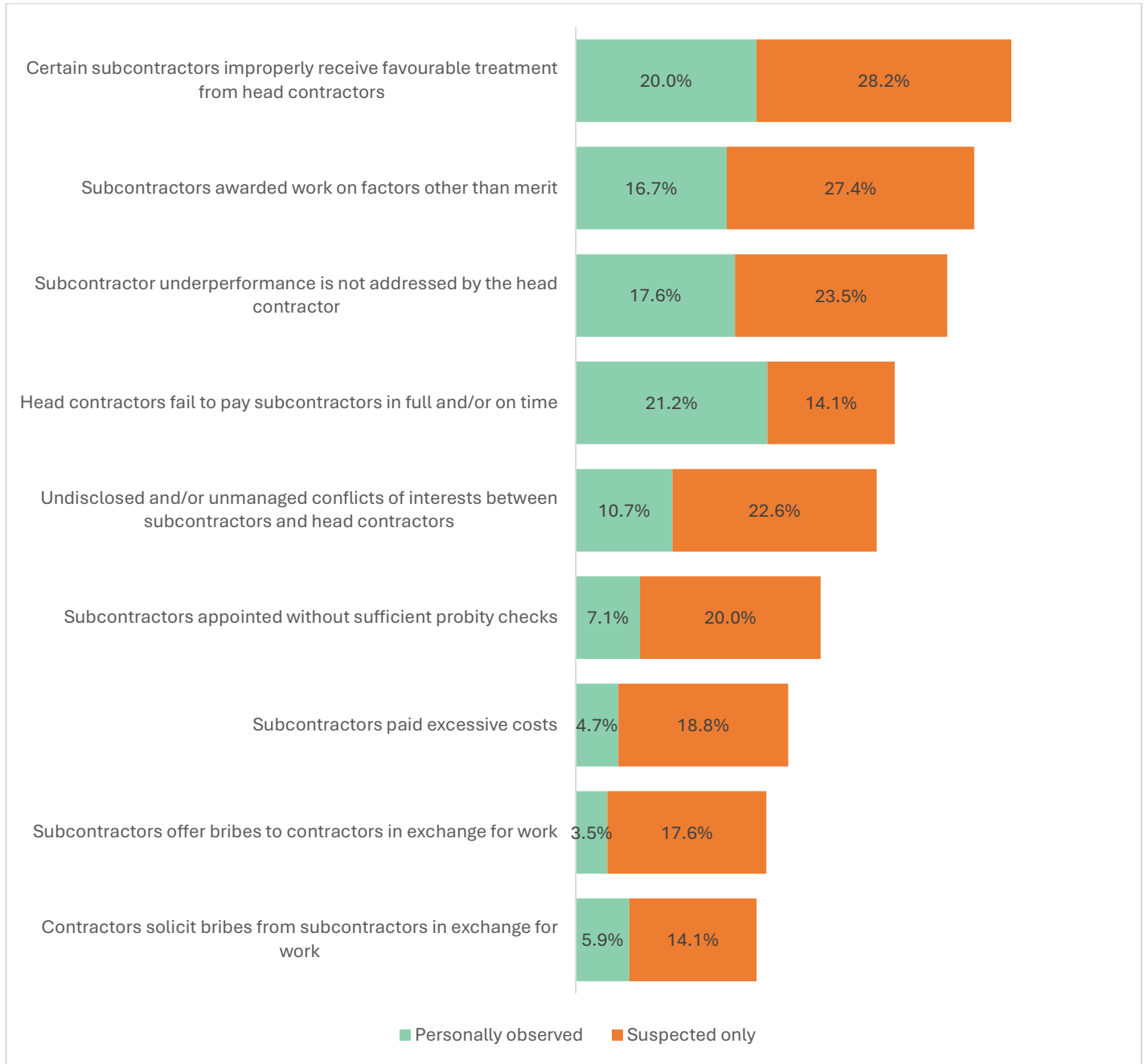


Figure 36: Perceptions of personally observed or suspected corruption risks relating to subcontracting (contractors/subcontractors)

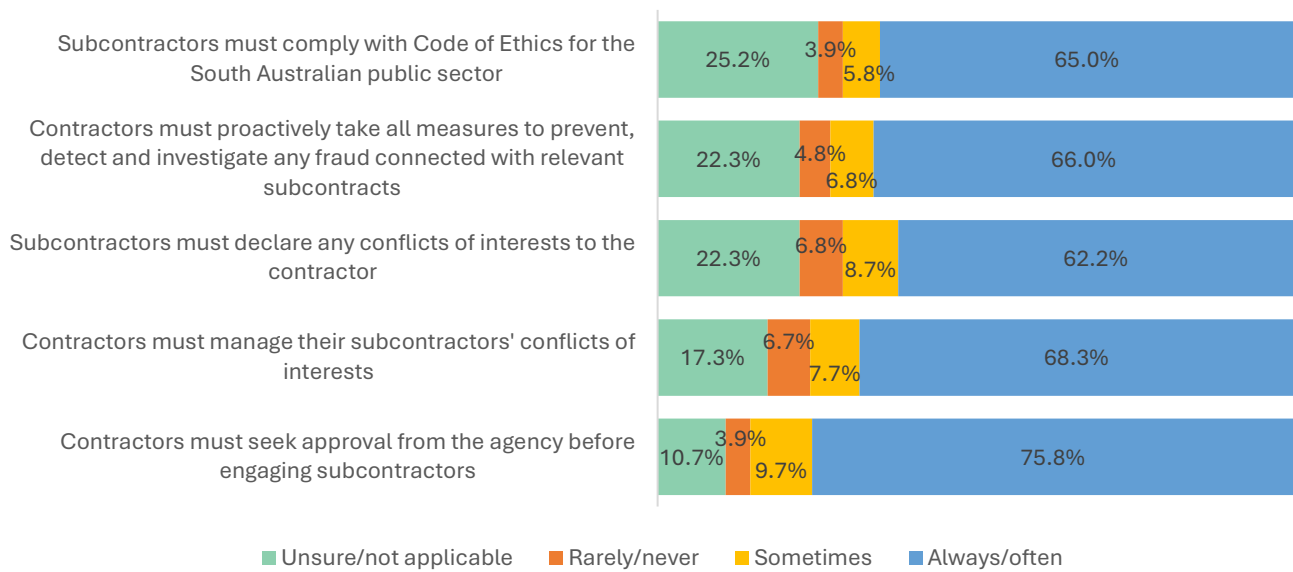


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More than one in five public sector employees involved in subcontracting responded that subcontractors are not contractually required to comply with the **Code of Ethics for the South Australian public sector** (Figure 37).

Such a contractual condition is not mandatory, although it may assist to protect the integrity of subcontracted work.

Figure 37: Perceptions of contract provisions included in subcontracts (public sector employees)

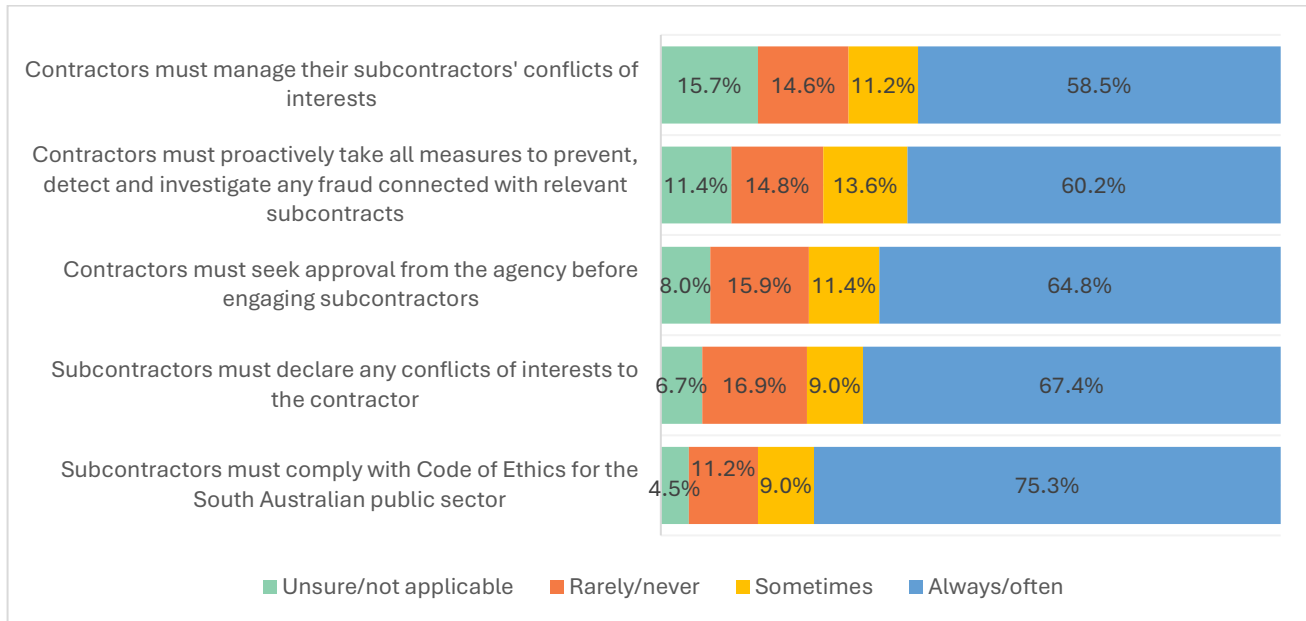


Half of the contractors and subcontractors agree that subcontractors must declare conflicts of interest to the head contractor.

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Less than half agree that head contractors must manage their **subcontractors' conflicts of interests** (Figure 38).

Figure 38: Perceptions of contract provisions included in subcontracts (contractors/subcontractors)



AWARENESS OF CORRUPTION RISKS

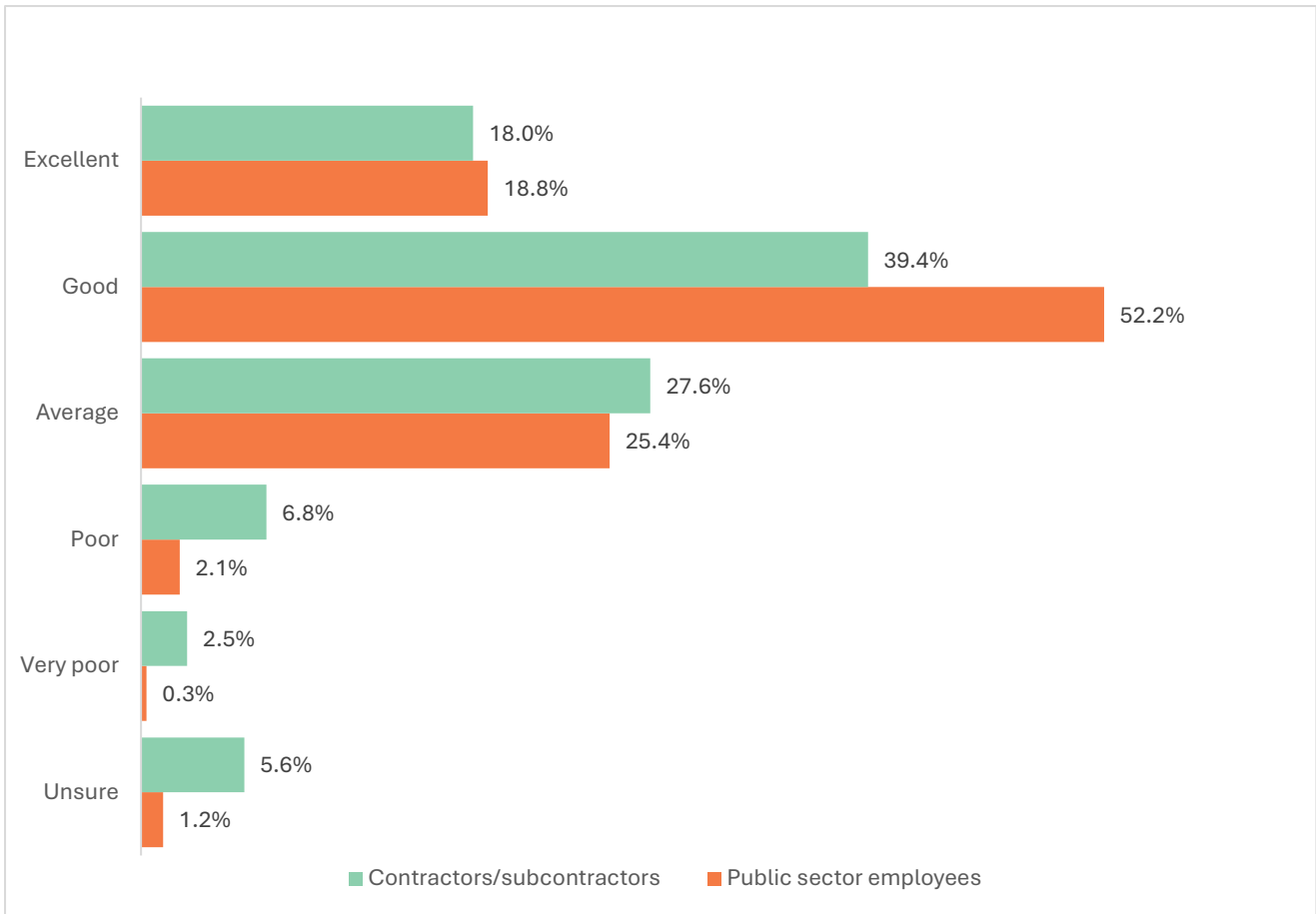
Contract management is a high-risk function, and it is essential that public officers involved in contract management are aware of corruption risks.

Most participants rate their **knowledge of corruption risks** in contract management as excellent or good (Figure 39).

Public sector employees are more likely than contractors or subcontractors to rate their knowledge of corruption risks favourably.

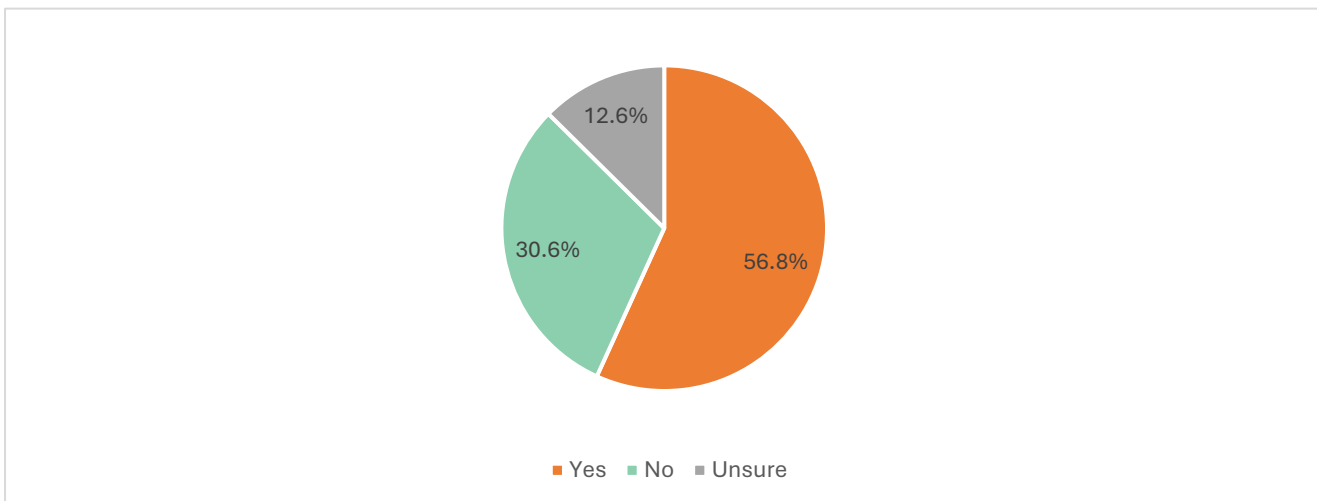
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Figure 39: Perceived knowledge of corruption risks in contract management



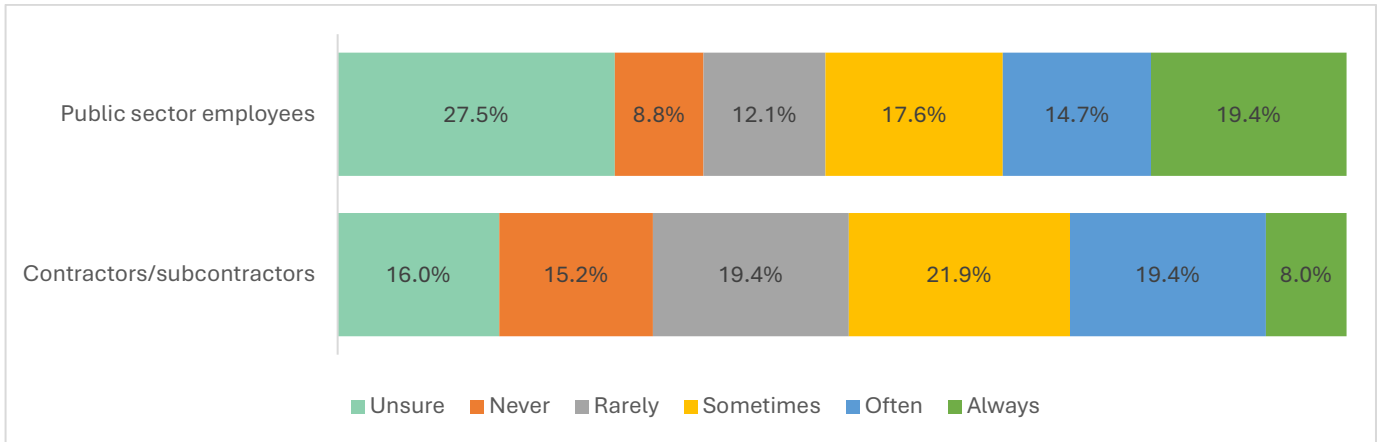
Almost one third of public sector employees responded that their current workplace has not provided **training on corruption risks** in contract management (Figure 40).

Figure 40: Current workplace provided training on corruption risks in contract management (public sector employees)



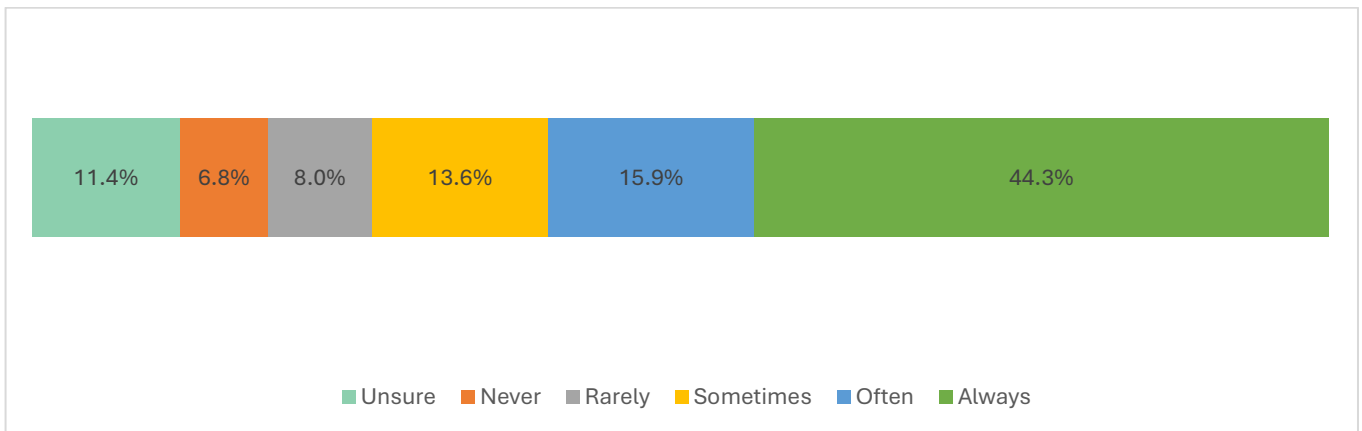
One in five public sector employees responded that contractors never or rarely receive induction or other training at the commencement of a contract. Approximately a third of contractors believe that the commissioning agency has not provided training or induction (Figure 41).

Figure 41: Agency provides induction or other training for contractors when commencing a contract



In contrast, most contractors and subcontractors believe subcontractors are **often or always provided with induction or other training** by the contractor (Figure 42).

Figure 42: Contractor provides induction or other training for subcontractors when commencing a contract (contractors/subcontractors)



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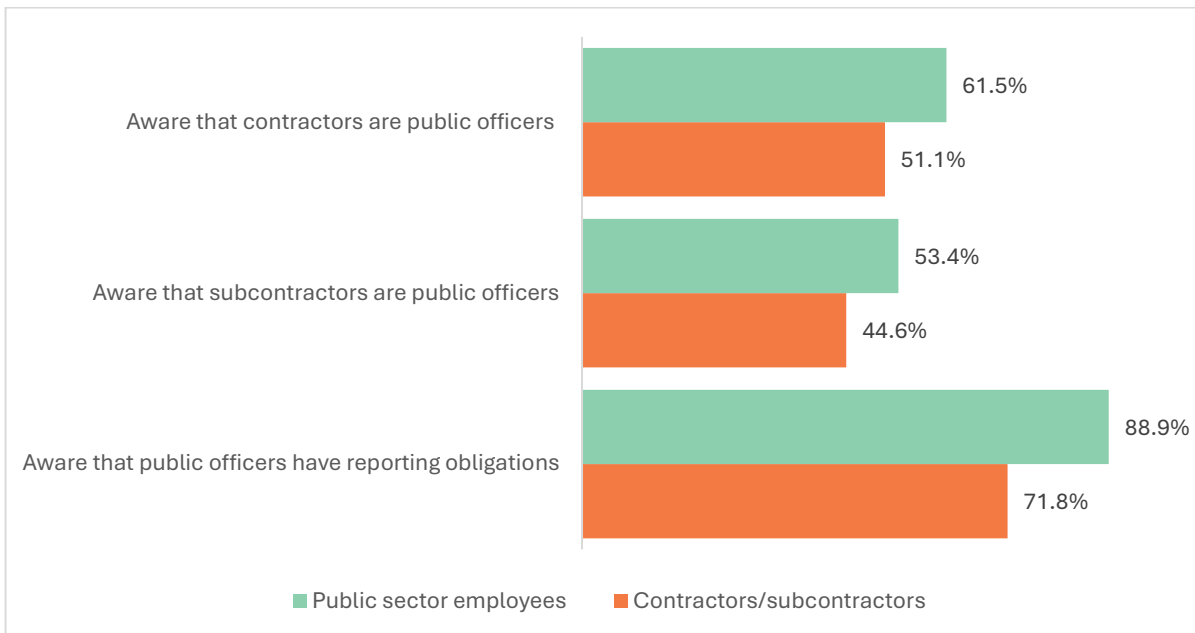
REPORTING

Contractors and subcontractors, while providing contracted goods, services or construction works to a public authority, are public officers under the *Independent Commission Against Corruption Act (2012)*.

Public officers are obliged to report any reasonable suspicions of corruption to the Office for Public Integrity.

Most public sector employees are aware that public officers have reporting obligations. Fewer are aware that contractors and subcontractors may be public officers while they are undertaking contract work for a public authority (Figure 43).

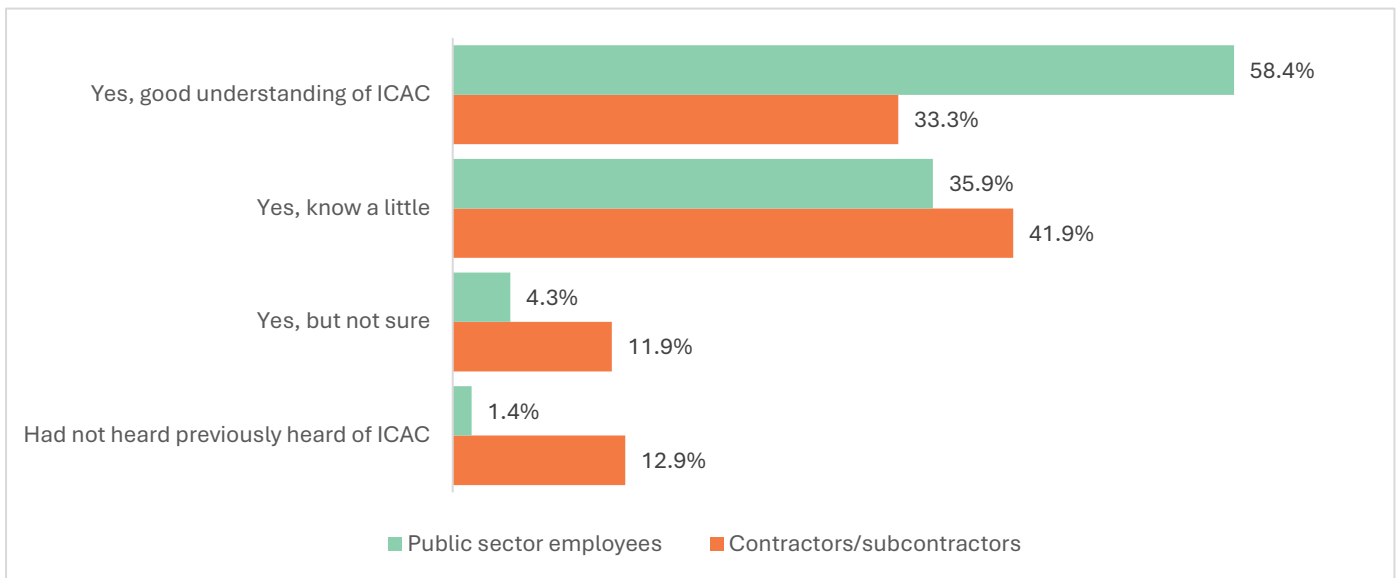
Figure 43: Awareness of obligations under the *Independent Commission Against Corruption Act (2012)*



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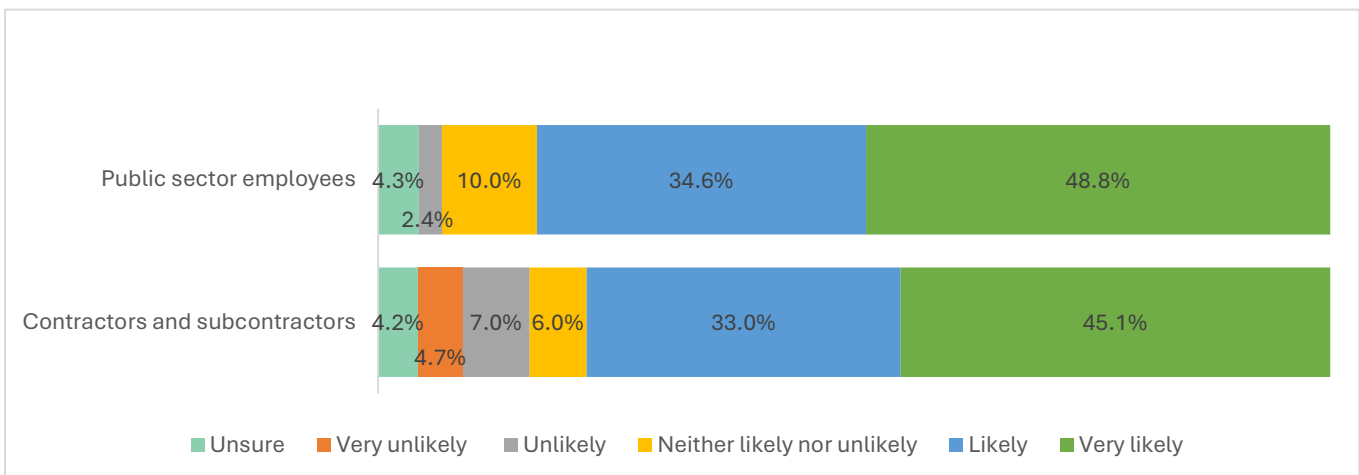
Most public sector employees surveyed believe they have a **good understanding of ICAC**, compared to one third of contractors and subcontractors (Figure 44). Approximately one in ten contractors and subcontractors **had not heard of ICAC** until they received the survey.

Figure 44: Awareness of ICAC



Most participants believe they would be likely or very likely to **report suspected corruption or other impropriety** (Figure 45).

Figure 45: Likelihood to report suspected corruption or other impropriety



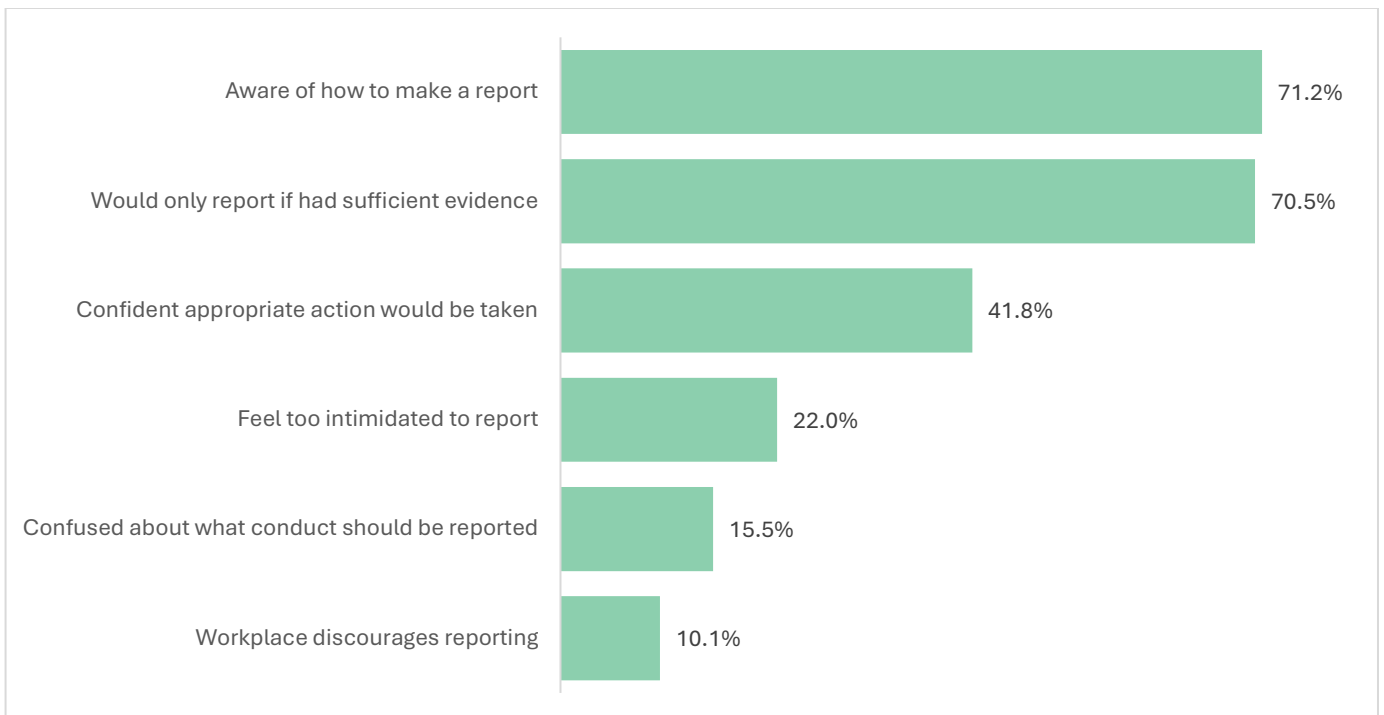
Participants are **reluctant to report unless they have sufficient evidence** (Figures 46 and 47).

ICAC’s advice about reporting is encapsulated in the message, ‘if you think something isn’t right, report.’

This message is consistent with public officers’ obligation to report any *reasonable* suspicion of corruption to the Office for Public Integrity.

A public officer is not required to collect evidence to support their suspicions, and in some instances, efforts to do so may compromise any subsequent investigation.

Figure 46: Perceptions of reporting suspected corruption or other impropriety (public sector employees)

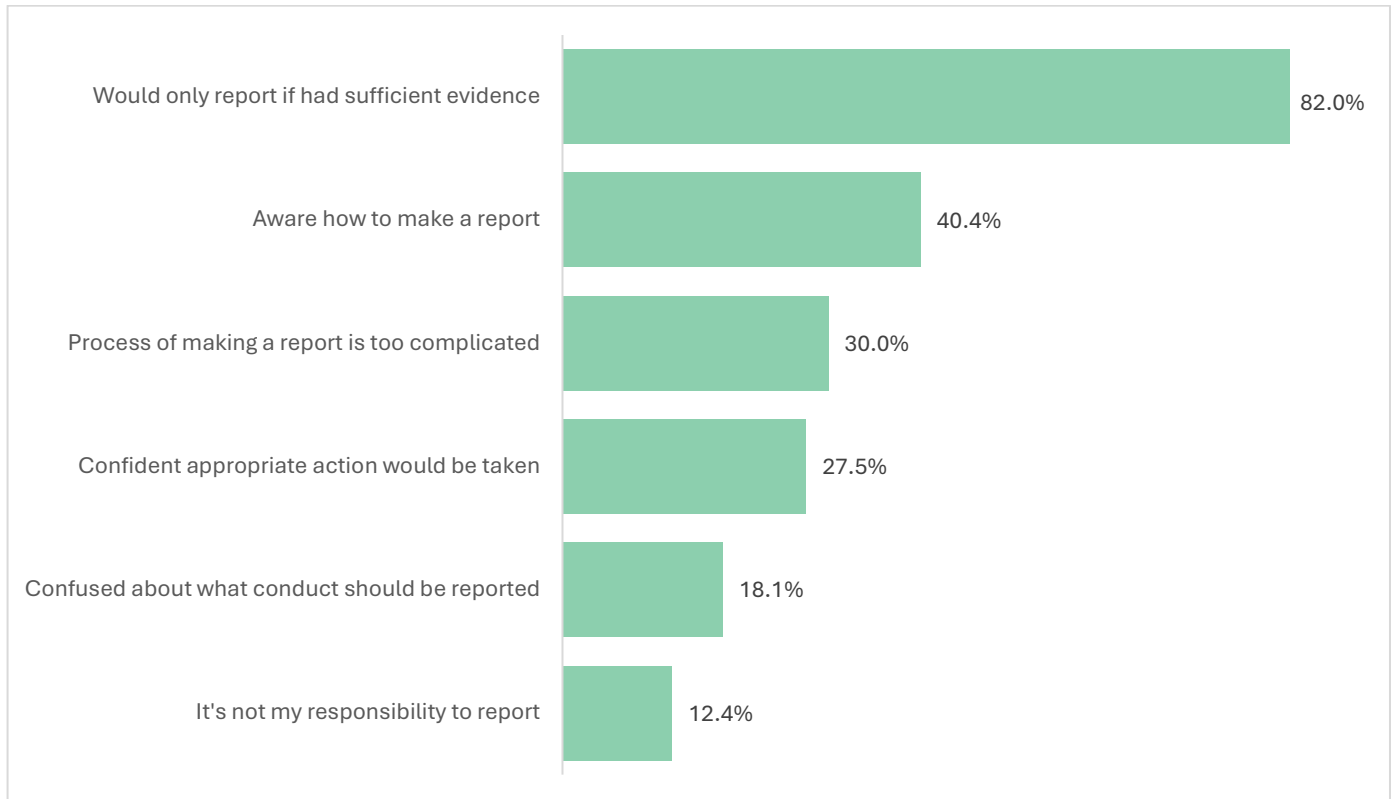


More work needs to be done to clarify the process by which contractors and subcontractors can make a report or a complaint.

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Four in ten contractors/subcontractors believe **they do not how to report**, and three in ten believe the **process of making a report is too complicated** (Figure 47).

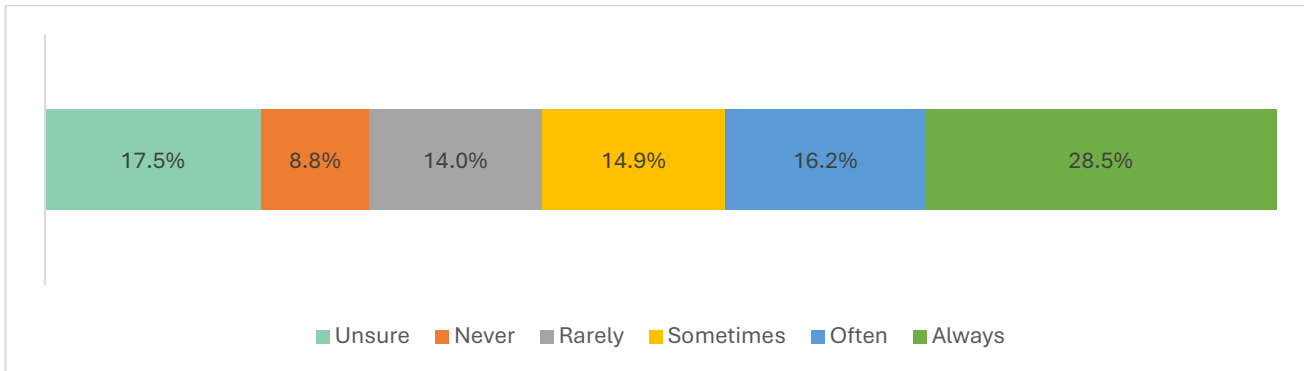
Figure 47: Perceptions of reporting suspected corruption or other impropriety (contractors/subcontractors)



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Less than half responded that there was **often or always** a process in place for contractors to make a complaint (Figure 48).

Figure 48: There is a process for contractors to make a complaint (contractors/subcontractors)



A small proportion of public sector employees (N= 25, 7.4%) and contractors/subcontractors (N=22, 6.7%) state that they have reported suspected corruption or other impropriety. Most reports by contractors or subcontractors are made to the Office for Public Integrity (Table 1). Public sector employees are most likely to report to a workplace leader (Table 2).

Table 1: Who receives reports of corruption or other impropriety (contractors/subcontractors)

	Contractors/subcontractors
Office for Public Integrity	10
Agency's nominated contact	8
Agency's contract manager	5
Ombudsman SA	5
Someone else inside agency	3
Office of the Industry Advocate	3
Someone inside organisation	2

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Other	4
-------	---

Table 2: Who receives reports of corruption or other impropriety (public sector employees)

	Public sector employees
Workplace leader	17
Colleague	3
Office for Public Integrity	2
Other	3

WHISTLEBLOWER PROTECTIONS

A major barrier to reporting suspicious conduct is fear of repercussions, which is compounded if potential reporters believe their identity will be inappropriately disclosed.

The *Public Interest Disclosure Act 2018 (SA)* provides whistleblower protections for certain disclosures of information that raise a potential issue of corruption or other improper conduct.

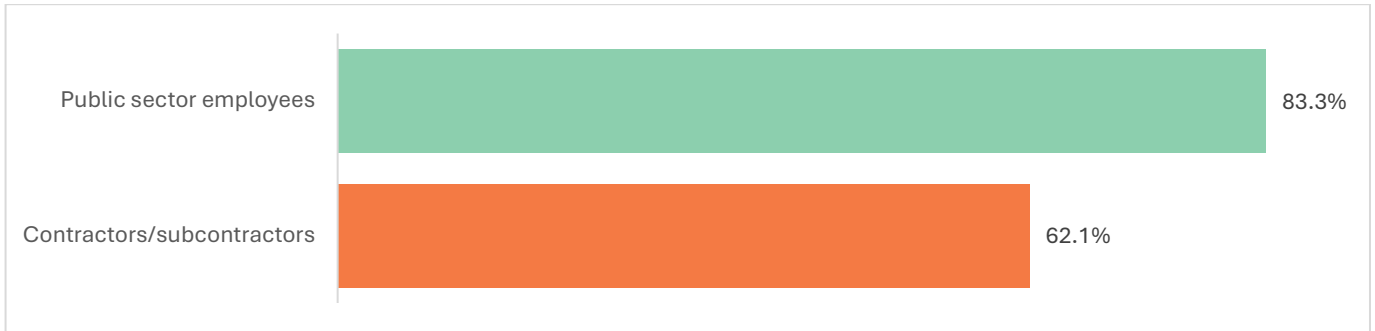
It is a criminal offence for a person who has received public interest information, or a person with knowledge of such a disclosure, to knowingly divulge the identity of the discloser without their consent.⁴

Public officers who make appropriate disclosures of public administration information are immune from liability as a result of that disclosure. Victimisation of someone who has made, or intends to make, an appropriate disclosure of public interest information is also a criminal offence.

Most public sector employees, and a smaller proportion of contractors and subcontractors, were aware of **protections for whistleblowers** (Figure 49).

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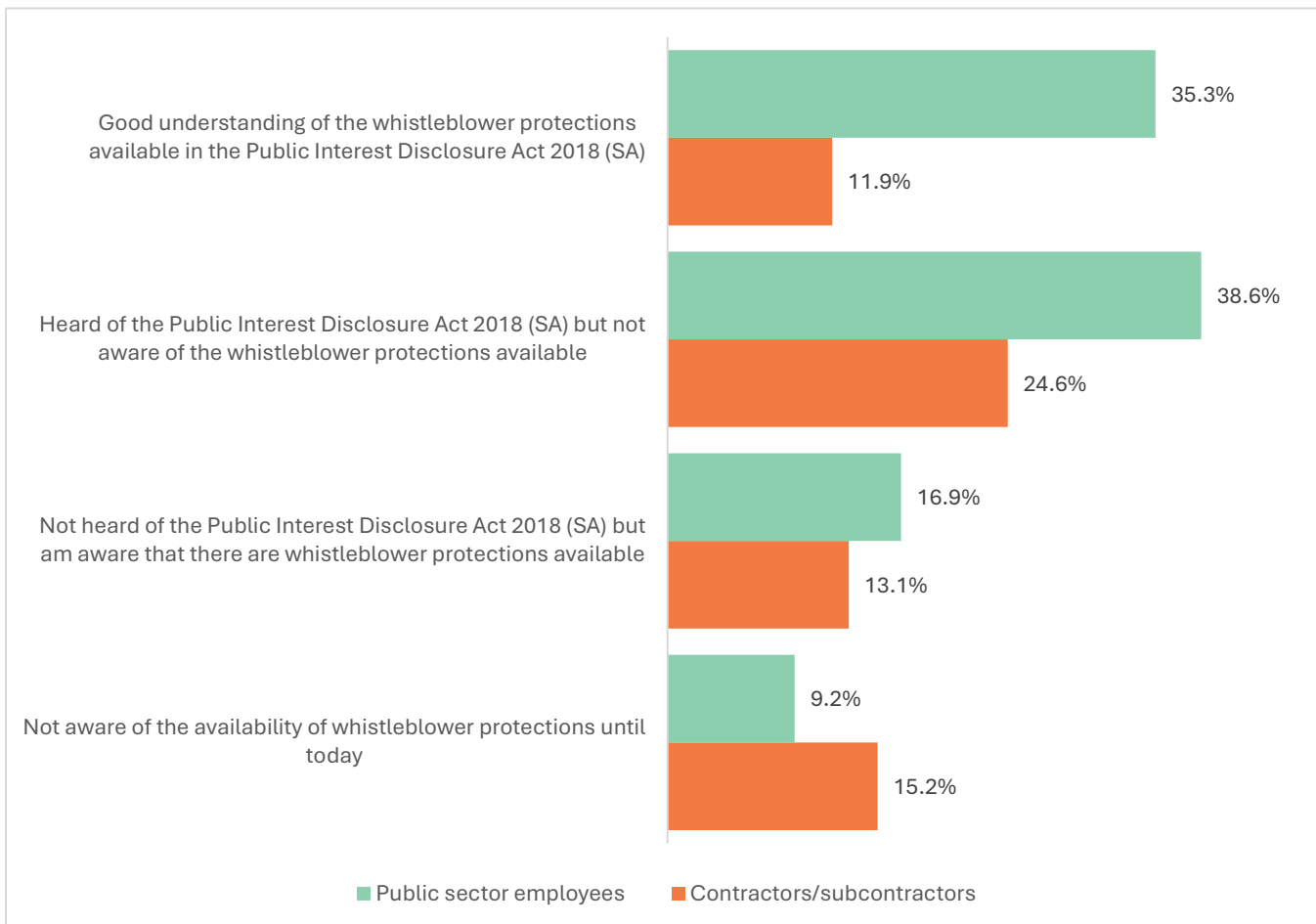
Figure 49: Awareness of whistleblower protections



Public officers who have heard of whistleblower protections do not necessarily have a good understanding of those protections.

Approximately one third of public sector employees, and only 11.9% of contractors and subcontractors, claim to have a good understanding of the **Public Interest Disclosure Act 2018 (SA)** (Figure 50)

Figure 50: Understanding of whistleblower protections



The availability of whistleblower protections does not appear to have dispelled anxiety about reporting.

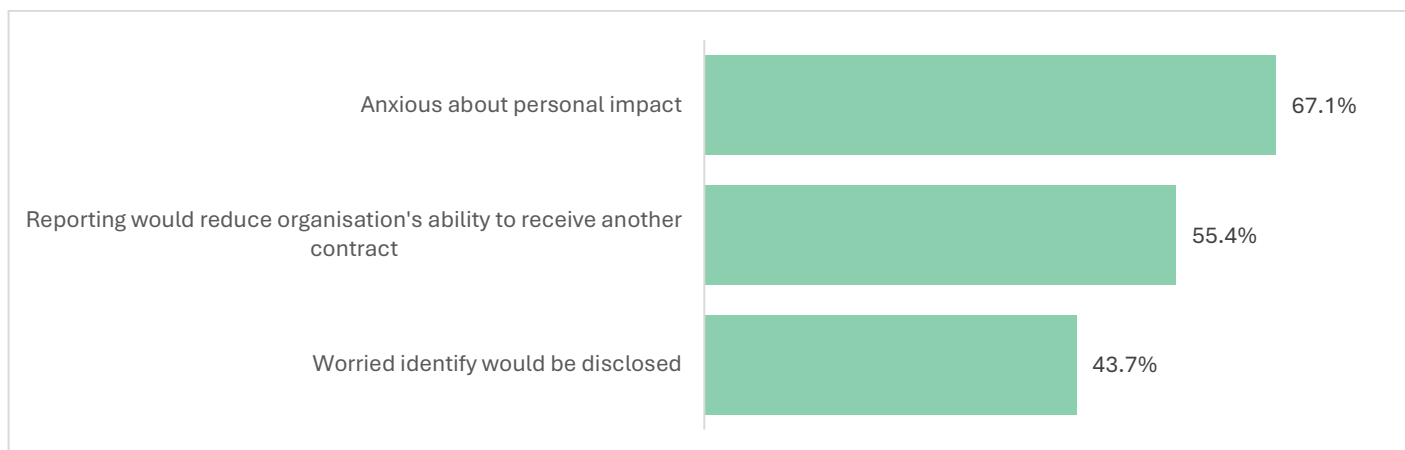
More than half of public sector employees are worried about **negative repercussions**, and about one third worry **their identify would be disclosed**, if they reported (Figure 51).

Figure 51: Agree/strongly agree to having fears relating to report (public sector employees)



Two thirds of contractors and subcontractors are anxious about the **personal impact of reporting** (Figure 52). Over half believe that reporting would **reduce their organisation's ability to obtain another public sector contract**.

Figure 52: Agree/strongly agree to having fears relating to reporting (contractors/subcontractors)



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Most corruption is uncovered through reports made by whistleblowers.⁵ Without reports, improper conduct is allowed to continue undetected and unaddressed.

ICAC acknowledges that reporting may be difficult. However, reporting potential corruption to the Office for Public Integrity is essential to the protection of the integrity of South Australian public sector contract management, and public administration more generally.

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APPENDIX A: SURVEY FOR PUBLIC SECTOR EMPLOYEES WITH CONTRACT MANAGEMENT RESPONSIBILITIES

Section A: About you	
How often are you involved in contract management in your workplace?	Never [end the survey] Occasionally Frequently Prefer not to say
What is your current role in relation to contract management in your workplace? Tick all that apply.	Management or leadership Contract manager Contract administrator Consultant project manager with contract management responsibilities Employed project manager with contract management responsibilities Probity advisor/legal advisor/auditor Technical or operational advisor Other Prefer not to say
How many years of contract management experience do you have?	Less than 1 year 1 to 5 years 6 to 10 years 11 to 20 years More than 20 years Prefer not to say
How long have you worked in the public sector?	Less than 1 year 1 to 5 years 6 to 10 years 11 to 20 years More than 20 years Prefer not to say
Which types of contracts have you had contract management responsibilities for in the past 12 months ? Tick all that apply	Advisory and consultancy services Communications and marketing Design and architectural services Energy and fuels Environmental Facilities and building management Financial services Fleet and vehicles Healthcare and community services Human resourcing and staffing ICT software and technology

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	Industrial and engineering Construction work Office equipment and accessories and supplies Public administration and safety Research and scientific Travel and accommodation Other None Not sure Prefer not to say
What is the typical value of contracts you are involved in?	\$55,000 and below \$55,001 to \$550,000 \$550,001 to \$5 million Above \$5 million but below \$10 million More than \$10 million Not sure Prefer not to say
In South Australia, a major infrastructure project involves capital investment value of \$50 million or more. Have you been involved in contract management or administration for any South Australian public sector major infrastructure projects?	Yes No Not sure Prefer not to say
What is the most common category of contract you are involved in? Tick one only.	Transactional: low value (ie one-off purchase valued up to and including \$55,000), low risk, low complexity Routine: low value (may be valued above \$55,000 if frequently procured), low risk/medium risk, most likely simple specification Complex: generally higher than \$550,000, medium risk, complex specification Strategic: high value, high risk, high complexity, although some lower value procurements may be strategic for reasons other than price Not sure Prefer not to say
What types of contracts do you primarily manage?	Contracts involving for profit organisations Contracts involving not for profit organisations Not sure Prefer not to say
Section B: Vulnerability to corruption	
<p>In South Australia, the term “corruption” refers to certain criminal offences. Examples of those include abuse of public office and bribery. Put simply, corruption involves a public officer sing the trust place in them by virtue of their role, improperly and for private gain.</p> <p>Contract management is at risk of corruption and impropriety because contracts can be highly complex, involve significant money, and require close relationship between the public and private sector.</p>	

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<p>Examples of corrupt conduct are:</p> <ul style="list-style-type: none"> • a public officer accepting or soliciting a bribe in return for giving preferential treatment to a contractor or subcontractor • a public officer improperly favouring a contractor with whom they have an undisclosed conflict of interests • a public officer knowingly authorising payment for incomplete or substandard work in return for a personal benefit • A public officer falsifying documentation to cover up contractor underperformance 	
<p>Do you believe that South Australian public sector contracts are vulnerable to corruption?</p>	<p>Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure</p>
<p>How would you rate your knowledge of corruption risks in contract management?</p>	<p>Excellent Good Average Poor Very poor Not sure/not applicable</p>
<p>Has your current workplace provided you with training on corruption risks in contract management?</p>	<p>Yes No Not sure</p>
<p>How vulnerable do you believe each stage of the contract management life cycle is to potential corruption?</p> <p>Post tender negotiation Contract start-up Invoicing and payment Managing contract performance Subcontracting Contract close out</p>	<p>Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure/not applicable</p>
<p>The next set of questions relate to corruption risks that may occur at any stage of the contract management life cycle. Those risks include undeclared and unmanaged conflicts of interests, inappropriate access to sensitive contract information, and parties soliciting and accepting gifts and other benefits.</p>	
<p>In your opinion, how vulnerable are South Australian public sector contracts to the following:</p> <p>Undisclosed and/or unmanaged conflicts of interests Inappropriate access to and/or disclosure of sensitive contract information (e.g. intellectual property) A contractor offering bribes, gifts, hospitality or other benefits to a public sector employee A public sector employee accepting bribes, gifts, hospitality or other benefits from a contractor A public sector employee soliciting bribes, gifts, hospitality or other benefits from a contractor</p>	<p>Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure/not applicable</p>

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<p>In the last 12 months, have you suspected or personally observed any of the following:</p> <p>Undisclosed and/or unmanaged conflicts of interests</p> <p>Inappropriate access to and/or disclosure of sensitive contract information (e.g. intellectual property)</p> <p>A contractor offering bribes, gifts, hospitality or other benefits to a public sector employee</p> <p>A public sector employee accepting bribes, gifts, hospitality or other benefits from a contractor</p> <p>A public sector employee soliciting bribes, gifts, hospitality or other benefits from a contractor</p>	<p>Personally observed</p> <p>Suspected</p> <p>Neither suspected nor personally observed</p> <p>Not sure</p>
<p>Do you have any further comments on your personal experience or suspicions of the conduct outlined in the previous question?</p>	
<p>Section C: Contract start-up</p>	
<p>In your experience, are the following provisions included in your agency's contracts:</p> <p>Contractor must declare any conflicts of interests to the agency</p> <p>Contractor must comply with the Code of Ethics for the South Australian Public Sector</p> <p>Contractor must proactively take all measures to prevent, detect and investigate any fraud connected with the contract</p>	<p>Always</p> <p>Often</p> <p>Sometimes</p> <p>Rarely</p> <p>Never</p> <p>Not sure/not applicable</p>
<p>In your experience, how often do the following occur during the startup phase of the contract life cycle:</p> <p>The contract's scope is varied during the implementation stage</p> <p>The contract's pricing is varied during the implementation stage</p>	<p>Always</p> <p>Often</p> <p>Sometimes</p> <p>Rarely</p> <p>Never</p> <p>Not sure/not applicable</p>
<p>To your knowledge, does your workplace provide an induction or other training for contractors when commencing a contract</p>	<p>Always</p> <p>Often</p> <p>Sometimes</p> <p>Rarely</p> <p>Never</p> <p>Not sure/not applicable</p>
<p>Section D: Contract administration and performance management</p>	
<p>In your experience, do the following contract management practices occur:</p> <p>Documentation of contractor performance is robust and accurate</p> <p>Contracts are regularly reviewed</p> <p>There are regular meetings with the contractor</p>	<p>Always</p> <p>Often</p> <p>Sometimes</p> <p>Rarely</p> <p>Never</p> <p>Not sure/not applicable</p>

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<p>Minutes of formal meetings with contractors are recorded, circulated and accurate</p> <p>Contract documents (e.g. variations, work orders) are updated, easily accessible and accurate</p> <p>Contract management plans, where applicable, are maintained and followed</p> <p>Processes for identifying sensitive information are in place and followed</p> <p>Performance measures are clear and well communicated to all parties</p> <p>Performance is measured in a timely fashion</p> <p>Performance is assessed against standards contained in the contract</p>	
<p>In your experience, how vulnerable is contract management in your workplace to the following:</p> <p>Falsification of performance data and/or performance reports (including forged signatures)</p> <p>Contractor underperformance not being addressed</p> <p>Variations or extensions approved for unnecessary work</p> <p>Variations approved to change the original objectives of the contract</p> <p>An extension or variation approved despite contractor underperformance</p> <p>Extensions granted after the contract has expired</p> <p>Insufficient documentation of variations and/or extensions</p> <p>An extension or variation approved to improperly avoid a new procurement</p>	<p>Not at all vulnerable</p> <p>Somewhat vulnerable</p> <p>Moderately vulnerable</p> <p>Highly vulnerable</p> <p>Extremely vulnerable</p> <p>Not sure/not applicable</p>
<p>In the last 12 months, have you suspected or personally observed any of the following:</p> <p>Falsification of performance data and/or performance reports (including forged signatures)</p> <p>Contractors' underperformance not being addressed</p> <p>Variations or extensions approved for unnecessary work</p> <p>Variations approved to change the original objectives of the contract</p> <p>An extension or variation approved despite contractor underperformance</p> <p>Extensions granted after the contract has expired</p> <p>Insufficient documentation of variations and/or extensions</p> <p>An extension or variation approved to improperly avoid a new procurement</p>	<p>Personally observed</p> <p>Suspected</p> <p>Neither suspected nor personally observed</p> <p>Not sure</p>
<p>Do you have any further comments on your personal experience or suspicions of the conduct outlined in the previous questions?</p>	
<p>Section E: Contract payment</p>	

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<p>In your opinion, how vulnerable is contract payment to the following:</p> <p>Invoices are raised for work that is not performed</p> <p>Invoices are raised for inflated amounts</p> <p>Invoices are raised for improper expenses (e.g. travel not incurred)</p> <p>Invoices are raised for work completed under another contract</p> <p>Invoices are paid without sufficient documentation</p> <p>Invoices are paid without adequate scrutiny</p> <p>Contractors false claim hours worked</p> <p>Contractors improperly substitute material (e.g. using lower quality materials than agreed)</p> <p>Goods that are used, unfit for purpose, and/or without warranties are accepted</p> <p>The same public officer can both raise a work order and approve payment for that order</p> <p>A public officer exceeds their delegation when paying invoices</p> <p>Surplus goods are ordered so that a public officer can profit from returning or selling the excess</p>	<p>Not at all vulnerable</p> <p>Somewhat vulnerable</p> <p>Moderately vulnerable</p> <p>Highly vulnerable</p> <p>Extremely vulnerable</p> <p>Not sure/not applicable</p>
<p>In the last 12 months, have you suspected or personally observed any of the following:</p> <p>Invoices are raised for work that is not performed</p> <p>Invoices are raised for inflated amounts</p> <p>Invoices are paid for improper expenses (e.g. travel not incurred)</p> <p>Invoices are raised for work completed under another contract</p> <p>Invoices are paid without sufficient documentation</p> <p>Invoices are paid without adequate scrutiny</p> <p>Contractors false claim hours worked</p> <p>Contractors improperly substitute material (e.g. using lower quality materials than agreed)</p> <p>Goods that are used, unfit for purpose, and/or without warranties are accepted</p> <p>The same public officer can both raise a word order and approve payment for that order</p> <p>A public officer exceeds their delegation when paying invoices</p> <p>Surplus goods are ordered so that a public officer can profit from returning or selling the excess</p>	<p>Personally observed</p> <p>Suspected</p> <p>Neither suspected nor personally observed</p> <p>Not sure</p>
<p>Do you have any further comments on your personal experience or suspicions of the conduct outlines in the previous question?</p>	
<p>Section F: Contract closure</p>	

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In your experience, do public sector contractors provide value for money for state (not local) government agencies?	Always Often Sometimes Rarely Never Not sure/not applicable
In your experience, do the following occur during contract close out: Post-contract reviews are performed Contract outcomes are reported in a timely manner Closure documentation is sufficient to allow for later audit or review Final expenditure is reconciled Contract is only closed after all items have been resolved	Always Often Sometimes Rarely Never Not sure/not applicable
How vulnerable do you believe contract close outs are to the following: Falsification of completion certificates Improper termination of a contract Contractors are re-engaged despite poor performance Disposal of surplus assets does not follow policy or procedure Extensions granted after the contract has expired	Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure/not applicable
In your experience, in the last 12 months , have you suspected or personally observed any of the following: Falsification of completion certificates Improper termination of a contract Contractors are re-engaged despite poor performance Disposal of surplus assets does not follow policy or procedure Extensions granted after the contract has expired	Personally observed Suspected Neither suspected nor personally observed Not sure
Do you have any further comments on your personal experience or suspicions of the conduct outlined in the previous questions?	
Section G: Subcontractors	
Have you been involved in contracts in your workplace that include subcontracting arrangements?	Yes No Not sure
Are the following provisions relating to subcontractors included in contracts? Contractors must proactively take all measures to prevent, detect and investigate any fraud connected with relevant subcontracts Subcontractors must comply with the Code of Ethics for the South Australia public sector	Always Often Sometimes Rarely Never Not sure/not applicable

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<p>Contractors must seek approval from the agency before engaging contractors</p> <p>Subcontractors must declare any conflicts of interests to the contractor</p> <p>Contractors must manage their subcontractors' conflicts of interests</p>	
<p>In your opinion how vulnerable are subcontracting arrangements to the following:</p> <p>Certain subcontractors improperly receiving favourable treatment from head contractors</p> <p>Undisclosed and/or unmanaged conflicts of interests between subcontractors and head contractors</p> <p>Subcontractors are appointed without sufficient probity checks</p> <p>Subcontractors are paid excessive costs</p> <p>Subcontractors are awarded work on factors other than merit</p> <p>Subcontractors offering bribes to contractors in exchange for work</p> <p>Contractors soliciting bribes from subcontractors in exchange for work</p> <p>Subcontractor underperformance is not addressed by the head contractor</p> <p>Head contractors failing to pay subcontractors in full and/or on time</p>	<p>Not at all vulnerable</p> <p>Somewhat vulnerable</p> <p>Moderately vulnerable</p> <p>Highly vulnerable</p> <p>Extremely vulnerable</p> <p>Not sure/not applicable</p>
<p>In the last 12 months, have you suspected or personally observed any of the following conduct?</p> <p>Certain subcontractors improperly receiving favourable treatment from head contractors</p> <p>Undisclosed and/or unmanaged conflicts of interests between subcontractors and head contractors</p> <p>Subcontractors are appointed without sufficient probity checks</p> <p>Subcontractors are paid excessive costs</p> <p>Subcontractors are awarded work on factors other than merit</p> <p>Subcontractors offering bribes to contractors in exchange for work</p> <p>Contractors soliciting bribes from subcontractors in exchange for work</p> <p>Subcontractor underperformance is not addressed by the head contractor</p> <p>Head contractors failing to pay subcontractors in full and/or on time</p>	<p>Personally observed</p> <p>Suspected</p> <p>Neither suspected nor personally observed</p> <p>Not sure</p>
<p>Do you have any further comments on your personal experience or suspicions of the conduct outlined in the previous question?</p>	

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Section H: Reporting corruption	
How likely would you be to report suspected corruption or other improper conduct in public administration, either internally or externally, if you became aware of it?	Very likely Neither likely nor unlikely Unlikely Very unlikely Not sure/not applicable
How strongly do you agree or disagree with the following statements regarding the reporting of suspected corruption or other improper conduct: I am confused about what conduct should be reported I would only report corruption if I had sufficient evidence My workplace discourages reporting If I made a report, I am confident that appropriate action would be taken I would feel too intimidated to report If I reported, my identity would be disclosed If I reported, I would be worried about negative repercussions I am aware of how to make a report	Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree Not sure/not applicable
Are you aware that there are whistleblower protections available for certain disclosures of information that raise a potential issue of corruption or other improper conduct?	Yes No Not sure
What is your understanding of the availability of whistleblower protections for certain disclosures of information that raise a potential issue of corruption or other improper conduct?	I have a good understand of the whistleblower protections available in the <i>Public Interest Disclosure Act 2018 (SA)</i> I have heard of the <i>Public Interest Disclosure Act 2018 (SA)</i> but am not aware of the whistleblower protections available I have not heard of the <i>Public Interest Disclosure Act 2018 (SA)</i> but am aware that there are whistleblower protections available I was not aware of the availability of whistleblower protections under today
Do you have any further comments you would like to make about reporting?	
Section I: Previous reports	
Have you ever made a report, either internally or externally, of suspected corruption or other impropriety in relation to contract management?	Yes No Prefer not to say

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Who did you make the report to? Tick all that apply	A senior leader in my workplace Human Resources A colleague in my workplace Procurement Services SA The Office of the Industry Advocate Office for Public Integrity/Independent Commission Against Corruption SA Police Ombudsman Other Prefer not to say
What was the nature of the allegations?	
What was the outcome of your report?	
How strongly do you agree or disagree with the following statements about how your report was handled: I was informed of the process My anonymity was maintained I was treated respectfully I am satisfied with the outcome of my report I am satisfied with how my report was handled	Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree Not sure/not applicable
Do you have any further comments on how your report was handed?	
If you have personally observed or suspected conduct that raises a potential issue of corruption or other impropriety and have not made a report, what were your reasons for not making a report?	
Section J: Awareness of the Independent Commission Against Corruption	
Had you heard of South Australia's Independent Commission Against Corruption before receiving this survey?	Yes, I have a good understanding of what ICAC does Yes, I know a little about what ICAC does Yes, but I am not sure what ICAC does No, I had not heard of ICAC until today Not sure
Contractors and subcontractors who are engaged to do work for a public authority are public officers under the <i>Independent Commission Against Corruption Act 2012</i> . Public officers are obliged to report any reasonable suspicions of corruption in public administration to the Office for Public Integrity.	
Prior to this survey, were you aware that: Contractors engaged to do work for a public sector organisation are public officers Subcontractors engaged to do work for a public sector organisation are public officers Public officers are obliged to report any reasonable suspicions of corruption in public administration to the Office for Public Integrity	Yes No

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Do you have any other comments you would like to make regarding corruption or other impropriety in contract management? [open ended response]

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APPENDIX B: SURVEY FOR PUBLIC SECTOR CONTRACTORS AND SUBCONTRACTORS

Section A: About your organisation	
Has your organisation ever been contracted or subcontracted to a South Australian public sector agency (excluding local government)?	Yes, contracted services only Yes, subcontracted services only Yes, both contracted and subcontracted services No Not sure
How many staff does your organisation currently employ?	Fewer than 5 5 – 9 10 – 19 20 – 49 50 – 99 100 – 500 More than 500 Not sure Prefer not to say
Where is your organisation primarily located?	Metropolitan Adelaide Rural/regional South Australia Outside of South Australia Not sure Prefer not to say
Is your organisation on a public sector contract panel or multi-agency list? Tick all that apply	Across government panel Multi-agency (pre-qualified) list Agency-based list Across Government Facilities Management Arrangement (AGFMA) list No Not sure Prefer not to say
Is your organisation	For profit Not for profit Not sure Prefer not to say
In the past 12 months , has your organisation provided contracted or subcontracted services work to the South Australia public sector (excluding local government)?	Yes, contracted services only Yes, subcontracted services only Yes, both contracted and subcontracted services No Not sure

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For which types of goods, services and/or construction work has your organisation provided contracted or subcontracted services to the South Australian public sector in the past 12 months ? Tick all that apply.	<ul style="list-style-type: none"> Advisory and consultancy services Communications and marketing Design and architectural services Energy and fuels Environmental Facilities and building management Financial services Fleet and vehicles Healthcare and community services Human resourcing and staffing ICT software and technology Industrial and engineering Construction work Office equipment and accessories and supplies Public administration and safety Research and scientific Travel and accommodation Other None Not sure Prefer not to say
What is the typical value of contracts your organisation holds with public sector agencies?	<ul style="list-style-type: none"> \$55,000 and below \$55,001 to \$550,000 \$555,001 to \$5 million Above \$5 million but below \$10 million More than \$10 million Not sure Prefer not to say
In South Australia, a major infrastructure project involves capital investment value of \$50 million or more. Have you been involved in contract management or administration of any South Australian public sector major infrastructure projects	<ul style="list-style-type: none"> Yes No Not sure Prefer not to say
Section B: About you	
How many years have you been engaged in contracting or subcontracting work?	<ul style="list-style-type: none"> Less than 1 year 1 to 5 years 6 to 10 years 11 to 20 years More than 20 years Prefer not to say

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How many years have you been engaged in contracting or subcontracting work for South Australian public sector agencies?	Less than 1 year 1 to 5 years 6 to 10 years 11 to 20 years More than 20 years Prefer not to say
What is your most recent primary role in relation to contracting or subcontracting work for South Australian public sector agencies?	Contractor Subcontractor Company owner or director Contract manager for your organisation Project manager for your organisation Consultant project manager working within a public sector agency Probity advisor/auditor/legal advisor Other Prefer not to say
Section C: Vulnerability to corruption	
<p>In South Australia, the term “corruption” refers to certain criminal offence. Examples of those include abuse of public office and bribery. Put simply, corruption involves a public officer sing the trust place in them by virtue of their role, improperly and for private gain. Contract management is at risk of corruption and impropriety because contracts can be highly complex, involve significant money, and require close relationship between the public and private sector.</p> <p>Examples of corrupt conduct are:</p> <ul style="list-style-type: none"> • a public officer accepting or soliciting a bribe in return for giving preferential treatment to a contractor or subcontractor • a public officer improperly favouring a contractor with whom they have an undisclosed conflict of interests • a public officer knowingly authorising payment for incomplete or substandard work in return for a personal benefit • a public officer falsifying documentation to cover up contractor underperformance 	
Do you believe that South Australian public sector contracts are vulnerable to corruption?	Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure
How would you rate your knowledge of corruption risks in contract management?	Excellent Good Average Poor Very poor Not sure/not applicable

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<p>How vulnerable do you believe each stage of the contract management life cycle is to potential corruption?</p> <p>Post tender negotiation Contract start-up Invoicing and payment Managing contract performance Subcontracting Contract close out</p>	<p>Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure/not applicable</p>
<p>The next set of questions relate to corruption risks that may occur at any stage of the contract management life cycle. Those risks include undeclared and unmanaged conflicts of interests, inappropriate access to sensitive contract information, and parties soliciting and accepting gifts and other benefits.</p>	
<p>In your opinion, how vulnerable are South Australian public sector contracts to the following: Undisclosed and/or unmanaged conflicts of interests Inappropriate access to and/or disclosure of sensitive contract information (e.g. intellectual property) A contractor offering bribes, gifts, hospitality or other benefits to a public sector employee A public sector employee accepting bribes, gifts, hospitality or other benefits from a contractor A public sector employee soliciting bribes, gifts, hospitality or other benefits from a contractor</p>	<p>Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure/not applicable</p>
<p>In the last 12 months, have you suspected or personally observed any of the following: Undisclosed and/or unmanaged conflicts of interests Inappropriate access to and/or disclosure of sensitive contract information (e.g. intellectual property) A contractor offering bribes, gifts, hospitality or other benefits to a public sector employee A public sector employee accepting bribes, gifts, hospitality or other benefits from a contractor A public officer soliciting bribes, gifts, hospitality or other benefits from a contractor</p>	<p>Personally observed Suspected Neither suspected nor personally observed Not sure</p>
<p>Do you have any further comments on your personal experience or suspicions of the conduct outlined in the previous question?</p>	
<p>Section D: Contract start-up</p>	
<p>In your experience, are the following provisions included in your agency's contracts: Contractor must declare any conflicts of interests to the agency Contractor must comply with the Code of Ethics for the South Australian Public Sector Contractor must proactively take all measures to prevent, detect and investigate any fraud connected with the contract</p>	<p>Always Often Sometimes Rarely Never Not sure/not applicable</p>

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In your experience, how often do the following occur during the start-up phase of the contract life cycle: The contract's scope is varied during the implementation stage The contract's pricing is varied during the implementation stage	Always Often Sometimes Rarely Never Not sure/not applicable
In your experience, do public sector agencies provide induction or other training for contractors when commencing a new contract?	Always Often Sometimes Rarely Never Not sure/not applicable
Contractors who are engaged to do work for a public authority are public officers under the Independent Commission Against Corruption Act 2012. Public officers are obliged to report any reasonable suspicions of corruption in public administration to the Office for Public Integrity.	
Prior to this survey, were you aware that: Contractors engaged to do work for a public authority are public officers Public officers are obliged to report any reasonable suspicions of corruption in public administration to the Office for Public Integrity	Yes No
Section E: Contract administration and performance management	
In your experience, do the following contract management practices occur: Documentation of contractor performance is robust and accurate The contract is regularly reviewed There are regular meetings with the agency's contract managers Minutes of formal meetings with the agency are recorded, circulated and accurate Performance measures are clear and well communicated to all parties Processes are in place for contractors to make a complaint	Always Often Sometimes Rarely Never Not sure/not applicable
In your experience, how vulnerable is public sector contract management to the following: Falsification of performance data and/or performance reports (including forged signatures) Variations or extensions approved for unnecessary work Variations approved to change the original objectives of the contract Contractor underperformance not being addressed Extensions or variations approved to improperly avoid a new procurement	Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure/not applicable

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<p>In the last 12 months, have you ever personally observed or suspected any of the following: Falsification of performance data and/or performance reports (including forged signatures) Variations or extensions approved for unnecessary work Variations approved to change the original objectives of the contract Contractor underperformance not being addressed Extensions or variations approved to improperly avoid a new procurement</p>	<p>Personally observed Suspected Neither suspected nor personally observed Not sure</p>
<p>Do you have any further comments on your personal experience or suspicions of the conduct outlined in the previous questions?</p>	
<p>Section F: Contract payment</p>	
<p>In your opinion, how vulnerable is contract payment to the following: Invoices are raised for work that is not performed Invoices are raised for inflated amounts Invoices are paid for improper expenses (e.g. travel not incurred) Invoices are raised for work completed under another contract Invoices are paid without adequate documentation Contractors falsely claim hours worked Contractors improperly substitute material (e.g. using lower quality materials than agreed) Goods that are used, unfit for purpose, and/or without warranties are accepted Surplus goods are ordered so that a public officer can profit from returning or selling the excess</p>	<p>Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure/not applicable</p>
<p>In your opinion, how vulnerable is contract payment to the following: Invoices are raised for work that is not performed Invoices are raised for inflated amounts Invoices are paid for improper expenses (e.g. travel not incurred) Invoices are raised for work completed under another contract Invoices are paid without adequate documentation Contractors falsely claim hours worked Contractors improperly substitute material (e.g. using lower quality materials than agreed) Goods that are used, unfit for purpose, and/or without warranties are accepted Surplus goods are ordered so that a public officer can profit from returning or selling the excess</p>	<p>Personally observed Suspected Neither suspected nor personally observed Not sure</p>

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Do you have any further comments on your personal experience or suspicions of the conduct outlines in the previous question?	
Section G: Contract closure	
In your experience, do public sector contracts provide value for money?	Always Often Sometimes Rarely Never Not sure
How vulnerable do you believe contract close outs are to the following Falsification of completion certificates Improper termination of a contract A contract is extended beyond the contract end date Contractors re-engaged despite poor performance Disposal of surplus assets does not follow policy or procedure	Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure/not applicable
In the last 12 months , have you suspected or personally observed any of the following: Falsification of completion certificates Improper termination of a contract A contract is extended beyond the contract end date Contractors re-engaged despite poor performance Disposal of surplus assets does not follow policy or procedure	Personally observed Suspected Neither suspected nor personally observed Not sure
Do you have any further comments on your personal experience or suspicions of the conduct outlines in the previous questions?	
Section H: Subcontractors	
Are you a subcontractor, or do you work for a contractor that subcontracts out work related to public sector contracts	Yes No Not sure
Subcontractors who are engaged to do work for a public authority are public officers under the <i>Independent Commission Against Corruption Act 2012</i> . Public officers are obliged to report any reasonable suspicions of corruption in public administration to the Office for Public Integrity.	
Prior to this survey were you aware that: Subcontractors engaged to do work for a public authority are public officers Public officers are obliged to report any reasonable suspicions of corruption in public administration to the Office for Public Integrity	Yes No
Are the following provisions relating to subcontractors included in contracts?	Always Often Sometimes

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<p>Contractors must proactively take all measures to prevent, detect and investigate any fraud connected with relevant subcontracts</p> <p>Subcontractors must comply with the Code of Ethics for the South Australia public sector</p> <p>Contractors must seek approval from the agency before engaging subcontractors</p> <p>Subcontractors must declare any conflicts of interests to the contractor</p> <p>Contractors must manage their subcontractors' conflicts of interests</p>	<p>Rarely</p> <p>Never</p> <p>Not sure/not applicable</p>
<p>Are subcontractors provided with an induction or other training by the contractor at the commencement of a new contract?</p>	<p>Yes</p> <p>No</p> <p>Not sure</p>
<p>In your opinion how vulnerable are subcontracting arrangements to the following:</p> <p>Certain subcontractors improperly receiving favourable treatment from head contractors</p> <p>Conflicts of interests between subcontractor and contractors are not disclosed and/or managed</p> <p>Subcontractors are appointed without sufficient probity checks</p> <p>Subcontractors are paid excessive costs</p> <p>Subcontractors are awarded work on factors other than merit</p> <p>Subcontractors offering bribes to contractors in exchange for work</p> <p>Contractors soliciting bribes from subcontractors in exchange for work</p> <p>Subcontractor underperformance is not addressed by the head contractor</p> <p>Head contractors failing to pay subcontractors in full and/or on time</p>	<p>Not at all vulnerable</p> <p>Somewhat vulnerable</p> <p>Moderately vulnerable</p> <p>Highly vulnerable</p> <p>Extremely vulnerable</p> <p>Not sure/not applicable</p>
<p>In your experience, in the last 12 months, have you suspected or personally observed any of the following conduct:</p> <p>Certain subcontractors improperly receiving favourable treatment from head contractors</p> <p>Conflicts of interests between subcontractor and contractors are not disclosed and/or managed</p> <p>Subcontractors are appointed without sufficient probity checks</p> <p>Subcontractors are paid excessive costs</p> <p>Subcontractors are awarded work on factors other than merit</p> <p>Subcontractors offering bribes to contractors in exchange for work</p>	<p>Personally observed</p> <p>Suspected</p> <p>Neither suspected nor personally observed</p> <p>Not sure</p>

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Contractors soliciting bribes from subcontractors in exchange for work Subcontractor underperformance is not addressed by the head contractor Head contractors failing to pay subcontractors in full and/or on time	
Do you have any further comments on your personal experience or suspicions of the conduct outlined in the previous question?	
Section I: Reporting corruption	
How likely would you be to report suspected corruption or other improper conduct in public administration, either internally or externally, if you became aware of it?	Very likely Neither likely nor unlikely Unlikely Very unlikely Not sure/not applicable
How strongly do you agree or disagree with the following statements regarding the reporting of suspected corruption or other improper conduct: I am confused about what conduct should be reported I believe that reporting would reduce my organisation's ability to receive another contract If I reported, I would be confident that appropriate action would be taken If I reported, my identity would be disclosed If I reported, I would be anxious about the personal impact I am aware of how to make a report It is not my responsibility to report I would only report if I had sufficient evidence The process of making a report is too complicated	Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree Not sure/not applicable
Are you aware that there are whistleblower protections available for certain disclosures of information that raise a potential issue of corruption or other improper conduct?	Yes No Not sure
What is your understanding of the availability of whistleblower protections for certain disclosures of information that raise a potential issue of corruption or other improper conduct?	I have a good understand of the whistleblower protections available in the <i>Public Interest Disclosure Act 2018 (SA)</i> I have heard of the <i>Public Interest Disclosure Act 2018 (SA)</i> but am not aware of the whistleblower protects available I have not heard of the Public Interest Disclosure Act 2018(SA)) but am aware that there are whistleblower protections available I was not aware of the availability of whistleblower protections under today

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Do you have any further comments you would like to make about reporting?	
Section J: Previous reports	
Have you ever made a report, either internally or externally, of suspected corruption or other impropriety in relation to contract management?	Yes No Prefer not to say
Who did you make the report to? Tick all that apply	Someone inside my organisation The contract manager from the agency managing the relevant contract The nominated contact from the agency managing the relevant contract Someone else within the agency Procurement Services The Office of the Industry Advocate The Office for Public Integrity/Independent Commission Against Corruption SA Police Ombudsman SA Other Prefer not to say
What was the nature of the allegations?	
What was the outcome of your report?	
How strongly do you agree or disagree with the following statements about how your report was handled: I was informed of the process My anonymity was maintained I was treated respectfully I am satisfied with the outcome of my report I am satisfied with how my report was handled	Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree Not sure/not applicable
Do you have any further comments on how your report was handed?	
If you have personally observed or suspected conduct that raises a potential issue of corruption or other impropriety and have not made a report, what were your responses for not making a report?	
Section K: Awareness of the Independent Commission Against Corruption	
Had you heard of South Australia's Independent Commission Against Corruption before receiving this survey?	Yes, I have a good understanding of what ICAC does Yes, I know a little about what ICAC does Yes, but I am not sure what ICAC does No, I had not heard of ICAC until today Not sure

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Do you have any other comments you would like to make regarding corruption or other impropriety in contract management? [open ended response]

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APPENDIX C: PROFILE OF PARTICIPANTS IN THE PUBLIC SECTOR EMPLOYEE SURVEY

Table 3: Profile of public sector employee participants

	Number of participants	% of participants
Frequency of involvement in contract management		
Frequently	190	56.0%
Occasionally	138	40.7%
Prefer not to say	11	3.2%
Number of years in public sector		
Less than 1 year	9	2.7%
1 to 5 years	71	20.9%
6 to 10 years	45	13.3%
11 to 20 years	89	26.3%
More than 20 years	118	34.8%
Prefer not to say	7	2.1%
Number of years in contract management		
Less than 1 year	21	6.2%
1 to 5 years	131	38.6%
6 to 10 years	84	24.9%

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11 to 20 years	62	18.3%
More than 20 years	32	9.4%
Prefer not to say	9	2.7%
Manage major infrastructure projects		
Yes	29	8.6%
No	295	87.0%
Prefer not to say/unsure	15	4.5%
Role⁶		
Manager/leadership role	179	52.8%
Contract manager	148	43.7%
Contract administrator	63	18.6%
Project manager	47	13.9%
Probity advisor/ auditor/ legal advisor	13	3.8%
Technical/operational advisor	39	11.5%
Other	19	5.6%
Prefer not to say	13	3.8%
Typical value of contracts organisation holds with public sector agencies		
\$55,000 and below	47	13.9%
\$55,001 to \$550,000	119	35.1%
\$550,001 to \$5 million	81	23.9%

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Above \$5m but below \$10 million	17	5.0%
More than \$10 million	51	15.0%
Prefer not to say/not sure	24	7.1%
Contract category		
Transactional	36	10.6%
Routine	147	43.4%
Complex	87	25.7%
Strategic	51	15.0%
Unsure/prefer not to say	18	5.3%
Contract type		
For not profit	83	24.5%
Not for profit	222	65.5%
Unsure/prefer not to say	34	10.0%

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APPENDIX D: PROFILE OF PARTICIPANTS IN THE CONTRACTOR/SUBCONTRACTOR SURVEY

	Number of participants	% of participants
Years of contracting or subcontracting work		
Less than 5 years	46	14.0%
6 to 10 years	54	16.4%
11 to 20 years	94	28.6%
More than 20 years	130	39.5%
Prefer not to say	5	1.5%
Years of contractor or subcontracting work for South Australian public sector agencies		
Less than 5 years	74	22.5%
6 to 10 years	68	20.7%
11 to 20 years	95	28.9%
More than 20 years	82	24.9%
Prefer not to say	10	3.0%
Contracting services		
Contracted services only	188	57.1%
Subcontractor services only	31	9.4%

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Both contracted and subcontracted services	110	33.4%
Number of staff employed in the organisation		
<5	67	20.4%
5 to 9	41	12.5%
10 to 19	54	16.4%
20 to 49	44	13.4%
50 to 99	23	7.0%
100 to 500	43	13.1%
More than 500	50	15.2%
Unsure/prefer not to say	7	2.1%
Location of organisation		
Metropolitan Adelaide	209	63.5%
Rural/regional South Australia	44	13.4%
Outside South Australia	65	19.8%
Prefer not to say	11	3.3%
Type of organisation		
For profit	258	78.7%
Not for profit	65	19.8%
Unsure/prefer not to say	6	1.8%
Panel contractor/subcontractor		

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Across government panel	76	23.1%
Multi-agency (pre-qualified) list	97	29.5%
Agency-based panel	77	23.4%
AGFMA	67	20.4%
Not on panel	55	16.7%
Unsure/prefer not to say	62	18.8%
Contract in last 12 months		
Contracted services only	188	57.1%
Subcontractor services only	110	33.4%
Both contracted and subcontracted services	31	9.4%
Value of largest tender or quote bid for in the last 12 months		
\$55,000 and below	77	23.4%
\$55,001 to \$550,000	114	34.7%
\$550,001 to \$5 million	73	22.2%
Above \$5m but below \$10 million	9	2.7%
More than \$10 million	24	7.3%
Prefer not to say/unsure	32	9.8%
Contract/subcontract for major infrastructure projects		
Yes	72	21.9%
No	232	70.5%

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Prefer not to say/unsure	25	7.6%
Primary role in relation to contract management		
Company owner or director	37	11.2%
Consultant project manager	8	2.4%
Contract manager for organisation	50	15.2%
Contractor	97	29.5%
Other	6	1.8%
Probity or another advisor	6	1.8%
Project manager for organisation	22	6.7%
Subcontractor	34	10.3%
Prefer not to say	98	21.3%

¹ William L. Miller, "Perceptions, Experiences and Lies: What Measures Corruption and What do Corruption Measures Measure?" in Charles Sampford, Arthur Shacklock, Carmel Connors and Fredrik Galtung (eds), *Measuring Corruption* (Routledge, 2006) 164.

² Procurement SA, *Contract Extensions and Variations Guidelines* (20 February 2023) pg 1

³ Procurement SA, *Contract Extensions and Variations Guidelines* (20 February 2023) pg 2.

⁴ Or otherwise in accordance with s 8 of the *Public Interest Disclosure Act 2018*.

⁵ Association of Certified Fraud Examiners, *Occupational Fraud 2024: A Report to the Nations* (2024), pg 23.

⁶ Participants were asked to select all labels applicable to their role – as a result, data equals >100%.

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