Independent Commission Against Corruption
South Australia

Integrity State 2025-26

Lessons Learned from Corruption Investigations

Vol. 5

Acknowledgement

ICAC acknowledges that the land on which we work is the traditional lands for the Kaurna people and that we respect their spiritual relationship with their Country.

We also acknowledge the Kaurna people as the custodians of the Adelaide region and that their cultural and heritage beliefs are still as important to the living Kaurna people today.

We pay our respects to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

Letter of Transmittal

24 November 2026

The Hon. Reggie Martin MLC
President of the Legislative Council
Parliament House
North Terrace
Adelaide SA 5000

The Hon. Nat Cook MP
Speaker of the House of Assembly
Parliament House
North Terrace
Adelaide SA 5000

Dear President and Speaker

In accordance with section 41(2) of the *Independent Commission Against Corruption Act 2012* (SA), I present the report entitled Integrity State 2025-26: Lessons Learned from Corruption Investigations. This report provides an overview of the corruption prevention recommendations issued to public authorities arising from investigations undertaken from 1 July 2025 to 30 June 2026.

Section 41(3) of the Act requires that the report be laid before the respective House of Parliament on the first sitting day following its receipt.

Yours sincerely



Emma Townsend
Commissioner
Independent Commission Against Corruption

From the Commissioner

While investigations conducted by the Independent Commission Against Corruption (**ICAC**) are necessarily focused on specific reports of potential corruption, they can also provide valuable insight into broader systems and practices within public authorities. In examining what has occurred, investigations may identify policies, procedures, or decision-making practices that can leave an organisation vulnerable to corruption and may create opportunities for corrupt conduct. When this happens, ICAC's role is to work with agencies to address corruption risks and to make recommendations for improvement. This fifth annual Integrity State report analyses the corruption prevention recommendations issued by ICAC to public authorities during the previous financial year. It identifies three key areas of vulnerability and risk.

The first relates to government procurement and recruitment. Corruption risks in these areas can develop gradually and may not always be immediately apparent. They can arise through conflicts of interest that are not declared or properly managed during recruitment processes, inconsistent application of probity requirements in procurement, and the risks associated with significant reliance on contractors.

The second concerns the misuse of public assets and resources. In practice, this risk can arise in a range of ways. We observed instances of information systems being used beyond their intended purpose, inaccuracies in timesheet records, and manual processes that created opportunities for misuse.

The third is a similar but more specific risk that requires immediate attention and comes at a time of significant public scrutiny of the National Disability Insurance Scheme (**NDIS**). That is the misuse of information relating to an NDIS client held by a public authority. Many South Australian public authorities hold, or have access to, information



about a person's NDIS plan. ICAC has investigated several matters where public officers were alleged to be improperly using that information to refer or solicit work for an NDIS service provider in which they, or an associate, have a private or financial interest. The risk is heightened where secondary employment or a conflict of interest has not been declared or appropriately managed. While this remains an emerging area of concern warranting careful attention, it reinforces the importance of robust conflict of interest processes, clear secondary employment policies, and effective oversight and controls. Public officers should not use information obtained through their official roles to derive a private benefit in connection with NDIS-funded services, particularly where doing so may be at the expense of people who are especially vulnerable.

Importantly, the recommendations and insights within this report extend beyond the individual matters investigated, highlighting opportunities for public authorities to implement corruption control measures, strengthen organisational integrity and reduce the risk of similar conduct occurring in the future.



Emma Townsend
Commissioner
Independent Commission Against Corruption

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Introduction

ICAC investigations into alleged corruption in public administration often uncover vulnerabilities in a public authority's practices, policies and procedures that may heighten the risk of corruption. In such cases, ICAC develops recommendations to help strengthen the authority's governance arrangements, controls, and processes to prevent or minimise that risk. ICAC works collaboratively with public authorities to ensure the recommendations are practical and responsive to their operating environment. These recommendations are communicated through prevention letters issued at the conclusion of an investigation.[1]

This report outlines the recommendations made by ICAC across 11 prevention letters in 2025-26. These improvements aim to promote fair and transparent decision-making, ensure the responsible use of public resources, and strengthen community confidence in public sector integrity.

1 Each prevention letter is accompanied by an information sheet prepared by the Independent Commission Against Corruption (**ICAC**). The information sheet helps public authorities receiving prevention letters understand why they have received the letter, their obligations and the types of support available to them. A copy of the information sheet is provided in the Appendix.

Overview: Corruption prevention recommendations

A breakdown of the prevention letters and recommendations featured in this report is provided in the table below.

Details	Number of letters	Number of recommendations
Type of public authority		
Local government	2	4
Government department	5	12
Statutory authority	2	4
Statutory corporation	2	7
Total	**11**	**27**
Area of corruption and integrity risk		
Procurement	5	14
Recruitment	1	3
Management of public assets and resources	3	6
Misuse of information for private gain	2	4
Total	**11**	**27**

Corruption risks in procurement and recruitment: Managing conflicts of interest, probity weakness and contractor risk

Procurement and recruitment can present significant corruption risks, given the often-substantial public expenditure involved and the degree of discretion often exercised in decision-making. Several ICAC investigations identified risks arising from undeclared or inadequately managed conflicts of interest in recruitment processes, inconsistent application of probity requirements, and the increased or perceived risks associated with significant reliance on contractors.



City of Playford

An insufficient disclosure

July 2025

ICAC investigated allegations that a public officer[2] of the City of Playford (**Playford Council**) misused their position to improperly benefit a private business by influencing a procurement decision. It was alleged that the public officer failed to declare, or only partially declared, their association with the business that secured a contract with the Playford Council.

Information obtained during the ICAC investigation showed that the business had approached Playford Council with an unsolicited proposal[3] that the public officer had helped to formulate. The public officer had declared their conflict of interest to Playford Council and had removed themselves from meetings in which the proposal was discussed. However, the information provided by the public officer was minimal, which limited Playford Council's ability to fully understand the nature and extent of the association.

Evidence obtained during the investigation did not meet the threshold required to establish a corruption offence. However, ICAC identified opportunities to strengthen Playford Council's management of conflicts of interest during procurement processes, particularly in relation to unsolicited proposals.

Playford Council's Unsolicited Proposal Procedure appropriately set out the expectation that "any perceived conflict of interest, bias or misconduct is eliminated" throughout the process of receiving, assessing, negotiating, and deciding on a proposal. However, despite this requirement, Playford Council's Application for the Consideration of an Unsolicited Proposal Form did not include a section for applicants to disclose any conflicts of interest.

Without a requirement for applicants to declare conflicts of interest, Playford Council may have been unable to adequately identify and manage such conflicts. This is particularly concerning in the context of unsolicited proposals, which carry heightened corruption and probity risks due to the absence of standard competitive tendering processes.

ICAC recommended that the Playford Council review and revise its:

1. Application for the Consideration of an Unsolicited Proposal Form to ensure that applicants are required to declare any conflicts of interest, including relevant associations or shared interest (financial or non-financial) with Council's staff members or elected members
2. Unsolicited Proposal Procedure to ensure that section 4.6, 'Probity Framework' reflects the requirement that conflicts of interest are disclosed and appropriately managed in the unsolicited proposal process.[4]

2 Local government employees and elected members are public officers pursuant to Schedule 1 to the *Independent Commission Against Corruption Act 2012* (SA).
3 An unsolicited proposal is a proposal made by a business or a not-for-profit organisation to government that has not formally requested and does not fit within existing procurement processes. See: Unsolicited proposal, Department of Treasury and Finance.
4 This recommendation focuses on the disclosure and appropriate management of conflicts of interest, rather than their elimination, which may not always be possible.

Playford Council has advised that these recommendations have been adopted in the relevant documents.

ICAC recognises that in smaller or close-knit communities, tighter social and professional networks can make personal and financial ties more visible, and conflicts correspondingly harder to avoid. This makes the disclosure and management of such conflicts all the more important.

South Australian Forestry Corporation

Procurement under pressure: The costs of taking shortcuts

November 2025

ICAC investigated allegations that a manager at the South Australian Forestry Corporation (**ForestrySA**) failed to follow the South Australian Government Procurement Framework in a significant procurement. The issue was identified during an audit by Procurement SA. It was suspected that the manager may have acted improperly to benefit themselves or another person.

Information obtained in the investigation showed several significant issues with the procurement for the project in question. Firstly, the project did not involve an approach to market, as required under Treasurer's Instructions 18 – Procurement, given that the procurement was valued above $55,000.[5] Instead, the manager directly procured the services of suppliers on the recommendation of the project's main contractors. While there is no evidence that either the manager or the contractors sought to improperly influence or manipulate the procurement process, it was a significant departure from formal procurement processes.

There was also inadequate oversight of the procurement by ForestrySA's Contracts and Procurement Manager. Had the procurement been appropriately supervised, the issues later identified by Procurement SA may have been detected and addressed.

Secondly, ForestrySA was eligible to apply for a government grant to support the project. The manager was tasked with submitting the application, which was ultimately approved. However, the manager, rather than the Chief Executive,[6] was named as the grant recipient. No terms and conditions had been established or recorded governing how the grant funds were to be disbursed. In this respect, the manager fell short of best practice and good governance in administering a government grant, as required under Treasurer's Instructions 15 – Grant Funding.[7]

Thirdly, time pressure may increase not only the risk of non-compliance, but also the risk that departures from established processes are rationalised or concealed, creating greater risk of improper conduct, including favouritism in supplier selection. Time constraints, tight deadlines, high expectations surrounding project completion, and the need to expend the grant funding before its expiry may have contributed to weaknesses in the management of the procurement process.

5 Treasurer's Instructions 18 - Procurement.
6 In May 2026, ForestrySA appointed a new Chief Executive.
7 Treasurer's Instructions 15 – Grant Funding.

However, the conduct identified went beyond procedural shortcomings associated with time pressure. The manager did not comply with procurement guidelines and deliberately backdated documents and misrepresented information about the procurement process.

Information obtained during the investigation resulted in the matter being referred to ForestrySA for further investigation and potential disciplinary action.

To further strengthen the integrity of its procurement practices, ICAC recommended that ForestrySA:

1. takes steps to ensure all public officers with procurement and contracting responsibilities:
    a. complete Procurement SA's mandatory training, and
    b. are aware of and familiar with ForestrySA's internal procurement framework
2. reviews the job and person specification of ForestrySA's Contracts and Procurement Manager to ensure the role effectively oversees and supports ForestrySA personnel with procurement responsibilities
3. considers, where appropriate, using the procurement management assistance made available by Procurement SA, including where ForestrySA forms the view that they may have insufficient internal expertise to manage a particular procurement
4. reviews its practices relating to applications for grant funding, and takes steps to ensure that ForestrySA personnel who are involved in applying for or dispersing grant funding have a clear understanding of how the funds are to be applied for and dispersed, and that those involved with dispersing the funds are adequately equipped to do so.

ForestrySA accepted all recommendations in full. It identified the following actions as having been taken to address the recommendations:

1. All staff with procurement and contracting responsibilities have completed Procurement SA's mandatory training. In addition, an internal training register has been established and will be maintained.
2. The job and person specifications of the Procurement and Contracts Manager have been reviewed and updated, with the procurement function now being centralised in the Finance team and managed by the Procurement Services team.
3. Internal procurement capability has been reviewed. The use of procurement management assistance from Procurement SA has also been considered, where appropriate.
4. The grant endorsement process has been updated to ensure that all grant-related activities are subject to appropriate oversight and are compliant with SA Government Procurement Framework.

City of Victor Harbor

Fee structures and possible divided loyalties

February 2026

ICAC investigated allegations that a commercial development advisor contracted by the City of Victor Harbor (**Victor Harbor Council**) had manipulated an Expression of Interest (**EOI**) process and subsequent commercial negotiations for a development to favour a particular developer. It was alleged that the advisor benefited from this favouritism through performance fees paid by the successful developer.

Evidence obtained in the investigation did not support the allegation that the EOI process was manipulated, or that the advisor gained any unfair advantage through their role or conduct. On the contrary, the evidence gathered indicated that the EOI process and commercial negotiations were conducted professionally, and that the advisor complied with the relevant standard operating procedures.

Nevertheless, ICAC identified two areas of concern that may assist the Victor Harbor Council in its efforts to prevent and minimise corruption, particularly when engaging private entities to deliver publicly funded projects.

First, a council or another public authority may engage commercial advisors for a range of legitimate reasons, including to support the delivery of large-scale projects, access specialised market expertise, mitigate financial risk, and assess project feasibility. While such engagements are not inherently problematic, a performance fee structure under which an advisor is paid by the successful developer may create a perception of a conflict or that public funds are vulnerable to misuse, particularly where such an arrangement is not transparently disclosed to the public.

Moreover, reliance on performance fees paid by a successful party can give rise to an actual conflict of interest. The prospect of a payout from a successful developer may create an incentive for an advisor to cut corners or inflate valuations. Without robust safeguards, this kind of arrangement can increase the risk of corrupt conduct by either party – the very issue underlying the allegations examined in this investigation.

Second, there appeared to be a potential over-reliance on the advisor across multiple stages of the project's development and acquisition. The advisor was initially engaged to conduct the EOI process and was subsequently re-engaged to conduct further negotiations with the successful developer. This resulted in the advisor having a considerable degree of control and autonomy over a major project. For a project of this scale, particularly one subject to public scrutiny, greater segregation of duties would reduce the concentration of authority in a single individual and strengthen oversight of key decisions.

ICAC issued the following recommendations to the Victor Harbor Council:

1. Risk assessments should be conducted on any goods or services contracts proposing unconventional or multiparty fee structuring (such as the paying of performance fees), especially those related to large capital or other financially significant projects. These risk assessments should be referred to the Victor Harbor Council's audit and risk committee for their consideration and advice.

2. Periodic risk assessments should be conducted on large capital or other financially significant projects, especially process mapping to determine decision points and staff responsibilities (including contractors) to identify those with disproportionate control over a process or function.

The Victor Harbor Council has since amended its Procurement Policy to incorporate the recommendations. It continues to strengthen its broader organisational systems and practices to further enhance project governance, oversight and reporting processes.

Fines Enforcement and Recovery Unit and the University of Adelaide

On-site parking, off-site responsibility

June 2026

ICAC investigated allegations that a parking inspector employed by Wilson Parking, which had been contracted by the then University of Adelaide[8] (**University**) to enforce parking restrictions at University car parks, had issued false parking expiation notices in an apparent attempt to meet a daily fines quota.

Evidence obtained during the investigation indicated that the matter first came to the attention of Fines Enforcement and Recovery Unit (**FERU**) as early as November 2025, when FERU began receiving complaints from registered vehicle owners about being issued false parking expiation notices. FERU notified Wilson Parking of the complaints, prompting Wilson Parking to conduct an internal inquiry.[9] That inquiry identified approximately 90 parking expiation notices that had been improperly issued by the parking inspector.

The investigation indicated that Wilson Parking did not appear to promptly inform the University when the misconduct was first identified. The University only became aware of the extent of the false notices after being notified by FERU. It was only at that time that the University cancelled all affected expiation notices.

8 The University of Adelaide and the University of South Australia officially merged to form the new Adelaide University in January 2026.
9 Wilson Parking commenced an employment code-of-conduct process in relation to the parking inspector. This process was unable to be completed following the parking inspector's resignation.

The parking enforcement arrangement operated under FERU's Enforcement Determinations Policy, relevant legislation, and a Memorandum of Administrative Arrangement (**MoAA**) between FERU and the University. A key requirement was that the University remained responsible for ensuring the validity of expiation notices, even where a third-party contractor such as Wilson Parking performed the relevant functions.

Under the *Fines Enforcement and Debt Recovery Act 2017* (SA), issuing authorities, such as the University, must provide the necessary information and certification before notices are referred to FERU for enforcement. The MoAA also required the University to certify that appropriate procedures had been followed.

This reliance on a contractor's processes, without adequate independent assurance or timely notification of problems, was identified during the investigation as a potential weakness in the system.

Further, ICAC considered that when FERU officers first began receiving complaints from registered vehicle owners concerning false expiation notices issued by the University, the circumstances were capable of raising a reasonable suspicion of corruption in public administration. The FERU public officers concerned should therefore have considered their obligations under the OPI Directions and Guidelines[10] and reported the matter to the OPI when appropriate.[11]

ICAC made the following recommendations to FERU and the University, which aimed at strengthening awareness of corruption risks associated with contract management, improving the mechanisms by which those risks are identified and mitigated, and reinforcing reporting obligations applicable to public officers.

Recommendations to FERU

1. FERU should reinforce to issuing authorities the importance of their certification obligations, and that FERU relies on their assessment that an expiation notice is supported by reliable evidence

2. FERU should continue to review its approach to managing complaints to ensure that complaints are treated robustly and fairly, and complainants are not discouraged from exercising their right to dispute an expiation.

3. FERU is reminded that any reasonable suspicions of corruption in public administration must be reported to the OPI. FERU is strongly encouraged to also report suspected misconduct or maladministration in public administration to either the OPI or the Ombudsman SA.

10 The Office for Public Integrity (**OPI**), Directions and Guidelines: For public officers, public authorities and inquiry agencies.
11 Following media reporting concerning the matter, a member of the public reported the matter to the OPI. The OPI subsequently referred the matter to ICAC for investigation of potential corruption.

FERU agreed with the recommendations and is committed to:

1. reinforcing with issuing authorities the importance of their certification obligations and the reliance FERU places on those certifications when matters are referred for enforcement
2. strengthening its internal approach by reinforcing awareness of relevant reporting obligations
3. incorporating clearer escalation triggers into operational guidance
4. formalising decisions points for the referral of suspected corruption, misconduct or maladministration.

Recommendations to the University

1. The University should ensure that, where contractual arrangements are used to support the discharge of external statutory or regulatory obligations, such as those arising under the MoAA with FERU, appropriate assurance mechanisms are in place to provide reasonable assurance that those obligations are being met, including through risk-based audit, review, or other oversight processes.

2. The University should ensure that, where facility management contractors are engaged to perform services that support the discharge of statutory, regulatory, or public-facing functions, contractual arrangements include appropriate mechanisms to notify the University of substantiated misconduct that may affect the University's compliance obligations or interests, while remaining consistent with obligations under the *Independent Commission Against Corruption Act 2012* (SA) (**ICAC Act**) and applicable confidentiality requirements.

3. The University should ensure that contractors, and employees who manage contractors, are aware of key corruption risks in relation to the management of contractor performance; contractors' status as public officers under the ICAC Act; and public officers' obligations to report any reasonable suspicions of corruption to the OPI.

The University agreed with the recommendations and advised that it intends to:

1. review the assurance arrangements associated with parking enforcement services and the contractual framework through which those services are delivered. In particular, the University will consider whether the current service specifications should be refined to better align with the University's obligations under the MoAA with FERU
2. review the current facility management contract framework to determine whether additional notification requirements should be incorporated for substantiated misconduct where legally permissible
3. establish a clearer governance framework for corruption awareness, reporting and accountability across the University.

Adelaide Cemeteries Authority

An opaque recruitment

April 2026

ICAC investigated allegations that a member of the executive at the Adelaide Cemeteries Authority had engaged in improper recruitment practices regarding the appointment of another staff member by failing to disclose a conflict of interest arising from a friendship and prior professional association.

There was insufficient evidence to support the allegations, and ICAC determined that no further action would be taken. Nevertheless, ICAC identified weaknesses in the Adelaide Cemeteries Authority's guidance and processes for managing conflicts of interest, particularly during recruitment.

The member of the executive was indeed part of the recruitment panel for the staff member's role. However, the Recruitment and Selection Policy did not clearly or adequately address how a recruitment panel should identify, disclose, and manage a conflict of interest during the recruitment process. While the panel members maintain that the conflict did not influence the outcome, and that the process had been open and transparent, they were unable to produce the scoring assessment for the successful candidate.

Declaring any conflicts of interest in a recruitment process is essential to protecting the integrity of the process, maintaining public trust, and ensuring a fair selection. The failure to disclose and manage a conflict of interest risks damaging public confidence in the Adelaide Cemeteries Authority, particularly where a decision may appear biased, even if it was not.

To address the issues observed in the investigation, ICAC recommended that the Adelaide Cemeteries Authority should:

1. develop a standalone Conflicts of Interest Policy that adequately defines a conflict of interest and provides sufficient guidance on how to identify, disclose, and manage a conflict of interest during all relevant business activities where a conflict of interest could arise, including during procurement and recruitment activities, and ensure that the policy:
    a. is effectively communicated to all staff; and
    b. is included in staff induction
2. review and update the Conflicts of Interest Guidance in the Recruitment and Selection Policy
3. review communication and training provided to staff to ensure awareness of their conflicts of interest obligations as public officers.

The Adelaide Cemeteries Authority accepted all recommendations and confirmed that the required changes to the relevant policies have now been implemented.

Corruption risks in public resources management: Information and communication technology misuse, booking system vulnerabilities and falsification of timesheets

The management of public assets and resources is another area where corruption risks can arise. This section considers the ways in which government information and communication technology (**ICT**) systems may be vulnerable to misuse, particularly given the sensitive and valuable information they hold. It also examines how manual processes can create opportunities for misuse. In addition, it considers the risks associated with falsification of timesheets where reliance on self-reported information, limited oversight, and links to financial benefits can create opportunities for improper conduct.



Department for Education

Access without authority: Lessons on information systems and reimbursement controls

October 2025

ICAC investigated allegations of potential corruption involving a Business Manager employed within the Department for Education (**DE**). The allegations, outlined below, related to the alleged misuse of public office for private and financial gain.

It was alleged that the Business Manager accessed and altered ICT systems without proper authorisation, in order to gain a financial benefit, at two DE sites.[12] While the allegations were not substantiated, the ICAC investigation revealed a number of concerning behaviours and process weaknesses that increased the sites' vulnerability to corruption.

The investigation found evidence supporting the allegation that the Business Manager gained unauthorised access to, and tampered with, ICT systems at both sites by:

1. using a restricted system administrator account
2. remotely accessing a site's systems while on leave overseas
3. adding a number of identity management system roles to their own account in order to modify information technology functions for the sites
4. adding a virtual workstation to a site's administrator server.

There was no evidence to suggest that the Business Manager undertook this conduct for the purpose of gaining a financial benefit. Rather, the conduct reflected a lack of awareness of, and compliance with, DE policies and procedures governing appropriate and acceptable use of ICT systems.

In this regard, the DE Cyber Security Standard sets out expectations and guidance for sites and site leaders[13] on the use of ICT assets. It requires sites to have formal processes for "requesting, reviewing and approving access" to all ICT systems and applications, and requires site leaders to be "accountable for the implementation and effectiveness of a cyber security program and for compliance."

It was also alleged that the Business Manager received reimbursements for items purchased for one of the sites using a personal bank account, without providing valid receipts or proof of purchase, to secure a financial benefit.

12 In this context, the term "site" is an umbrella category encompassing any physical locations or facilities where education, care, or related services are delivered. These include schools, preschools, childcare centres, and offsite or community-based learning locations.
13 A "site leader" is a title used to refer to the principal of a school or the director of a preschool.

The ICAC investigation found no evidence that the Business Manager misappropriated public funds. However, it did identify weaknesses in the reimbursement system at one site, and practices that could readily be exploited.

The Business Manager provided proof of payment for most transactions when requesting reimbursement. Even so, ICAC found that controls over the approval of reimbursements were inadequate. One site had adopted a "two-token" system requiring approval from both a site leader and delegated staff member. In practice, the Business Manager was permitted to process and approve their own reimbursements without site leader sign-off.

While there was no evidence of misuse of public funds, the lack of segregation of duties and weak oversight represent a clear vulnerability to fraud and corruption risks.

Furthermore, while the use of a personal bank account to purchase items for the site may be permissible, this practice can itself heighten corruption risks, including through inflated receipts, fabricated expenses, and duplicate claims.

ICAC issued the following recommendations to assist DE to prevent and minimise risks of corruption arising from the misuse of ICT systems and weaknesses in reimbursement processes:

1. DE should review the adequacy of training provided to site leaders and delegated staff (with financial responsibilities) regarding their obligations relating to the authorisation of payments, namely, the reimbursement process

2. DE should review relevant recruitment and induction policies and procedures to ensure that prior disciplinary history is disclosed to subsequent sites where staff are transferred or seconded. In particular:

    i. If no internal model exists, DE should create an appropriate model in which staff must disclose prior misconduct matters

    ii. DE should ensure that the model highlights notification to management where a prior misconduct matter is declared, and consideration is given to management strategies to be adopted to prevent the risk of reoccurrence.

DE confirmed that actions have been undertaken to address all recommendations, including:

1. communicating to leaders their obligations relating to the authorisation of payments and the proper process for reimbursement

2. setting up a dedicated webpage focused on avoiding the risk of financial misappropriation, which provides guidance and information to staff regarding their responsibilities around system access, segregation of authorities and duties, managing reimbursements, and managing conflicts of interest

3. exploring training opportunities to embed and reinforce key messaging about the financial responsibilities of staff

4. updating relevant policies and procedures to strengthen controls, allowing hiring managers to be informed of internal candidates' prior or existing disciplinary processes

5. creating a form to be completed by staff who seek to apply for internal vacancies to declare any prior or existing disciplinary processes.

Department for Infrastructure and Transport

The manual booking system that invited misuse

June 2026

ICAC investigated allegations that vehicle inspectors at a Vehicle Inspection Section (**VIS**) within the Department for Infrastructure and Transport (**DIT**) had accepted cash payments from members of the automative industry to expedite or secure favourable outcomes for Tier 3 vehicle inspections.[14]

The investigation did not find evidence to substantiate the allegations that any public officers employed at the VIS had acted improperly in their official duties. However, the evidence and information obtained during the investigation revealed a number of deficiencies in the VIS' inspection booking system, particularly as it applies to Tier 3 vehicle inspections.[15]

Firstly, the VIS operated an online booking system, alongside a separate, manually administered "standby" process, which allowed customers to make early bookings for vehicles not yet ready for inspection, then cancel or simply fail to attend without notice – forfeiting only a non-refundable administration fee.[16] These customers were able to continue securing further bookings for the same vehicles, contributing to lengthy waiting times for others. This practice, effectively a form of slot-hoarding, created artificial scarcity and allowed some customers to exploit a loophole in the booking system to their advantage.

Secondly, the standby process relied on a manual booking process. While a manual approach can offer lower cost and reduced technical complexity, it also carries a higher potential for misuse. It lacked automated controls and real-time tracking, meaning available slots could potentially be allocated to favoured customers ahead of others in the queue. It also lacked an audit trail, making it difficult to establish accountability where conduct of this kind occurred.

Finally, while segregation of duties existed within the VIS to ensure that responsibility for assessing a request for earlier inspection, scheduling an inspection, and inspecting a vehicle could not rest with a single individual, the standby process was not automated and remained under the administration of the VIS rather than a separate office. Although the process was traceable and incorporated a

14 A Tier 3 inspection in South Australia refers to a comprehensive forensic style examination to determine the identity and provenance of the vehicle and of parts or components used in the repair process, as well as to assess a vehicle's overall repair standard and structural integrity. This ensures that inspected vehicles meet the national standards and requirements for vehicle design, construction, emissions and safety. See: Vehicle Identity Assessment Fact Sheet.
15 The inspection booking system allows customers to make a vehicle inspection booking for a range of inspection types, including to inspect a vehicle recorded as a repairable written off vehicle such as the matter under investigation. See: Book a vehicle inspection.
16 At the time the investigation was undertaken, there was no deterrent to penalise this behaviour by customers apart from forgoing the administration fee.

separation of duties, the absence of automated controls and independent administrative oversight created potential vulnerabilities in the allocation of inspection bookings. These arrangements increased the risk of preferential treatment and reduced the capacity to independently identify and scrutinise potentially improper conduct.

ICAC recognises that the slot-hoarding behaviour exhibited by some customers is not easily addressed by DIT in the short-term. In particular, any changes to the structure of administrative fees, including non-refundable fees, would require legislative amendment to the *Motor Vehicles Act 1959* (SA).

However, in the meantime, DIT is well-placed to address the deficiencies in the manual booking process underpinning the standby system.

ICAC recommended that DIT should:

1. consider whether there is any other DIT business unit, separate to the VIS, which could take responsibility for scheduling Tier 3 inspections

2. consider adopting an automated booking system for the standby list to ensure all customer requests, staff decisions, and the reasons behind these decisions are recorded, and increase auditing capabilities.

DIT has been working on modernising the vehicle inspection booking system and has considered adopting other identified improvements.

Department for Environment and Water

One approver, one favourite, no checks

June 2026

ICAC investigated allegations concerning the conduct of a manager at the Department for Environment and Water (**DEW**). It was alleged that the manager had manipulated a staff roster to inappropriately pay excessive overtime to a specific employee.

The alleged conduct occurred over several years, during which the manager was responsible for managing sites within an entity run by DEW. The manager had several direct reports and was responsible for overseeing, managing, and approving their timesheets, overtime, and annual leave.

The evidence supported the allegation that the manager, in their capacity as a public officer, misused their authority by approving excessive overtime payments to a specific employee. Over approximately five years, that employee accrued and was paid additional employment entitlements in excess of $150,000 through the improper application of overtime and other rostering arrangements. The manager approved all the employee's overtime and rostered the employee to work overtime and shifts – particularly on weekends – that resulted in additional payments to that employee.

ICAC acknowledged that the nature and volume of work at the sites can be seasonal and may, at times, require additional hours. However, the evidence showed that the manager had allowed the employee to claim overtime even where the operational circumstances did not necessarily call for it. More significantly, the manager's decision to confer substantial financial benefits on this one employee, through overtime and rostering arrangements, created a perception of favouritism.

While there was no evidence of any personal association or conflict of interest between the manager and the employee outside the workplace, this kind of undue favouritism between a supervisor and a subordinate poses an integrity risk which undermines workplace fairness and team trust.

ICAC determined that the matter was most appropriately referred to DEW for further investigation and potential disciplinary action.[17]

In addition, to strengthen the ability of DEW to prevent the unnecessary use of overtime and to ensure cost effective rostering, ICAC recommended that:

1. DEW conducts regular audits of overtime claims and approvals to improve visibility and oversight of overtime

2. all managers within DEW continue to be made aware of common rostering issues, including during their induction process, and are regularly reminded of the importance of enquiring into any rostering patterns that suggest undue favouritism or excessive overtime.

DEW has taken reasonable steps within the relevant branch responsible for overseeing entities and associated sites to improve the technology supporting the administration and management of the rostering system.

17 Following an internal misconduct investigation, action was taken in relation to the manager's employment.

Corruption risks in the management of the National Disability Insurance Scheme: Undisclosed relationships and secondary employment

The final section examines an emerging but important area of risk: the ability of public officers to misuse information and resources accessed via the National Disability Insurance Scheme (**NDIS**) for private benefit. It has become apparent that NDIS-related information is accessible to a broad range of public officers, increasing the potential for misuse.

ICAC considers this risk particularly serious because any misuse of these funds can directly reduce the support available to often vulnerable people in the community who rely on these services. Protecting these resources is essential to ensuring they reach those for whom they are intended.



Office of the Public Advocate

Better documentation of decisions

August 2025

ICAC investigated allegations that a senior guardian employed at the Office of the Public Advocate (**OPA**) misused their position by improperly referring NDIS participants to a private care provider for personal and/or financial benefit.[18] It was alleged that these referrals were made contrary to professional advice from practitioners, support coordinators and participants' families. In particular, the investigation examined whether:

1. the senior guardian was in a personal relationship with the NDIS private care provider's manager, and failed to declare this as a conflict of interest

2. the NDIS private care provider's manager received additional benefits from his employer as a result of securing new NDIS participants through this undeclared personal relationship with OPA's senior guardian.

The evidence gathered did not support the allegations that the public officer had misused their position or that referrals of NDIS participants to a private care provider were improper. Rather, the referrals were made in accordance with OPA's procedure, despite being contrary to professional advice or recommendations. Nevertheless, ICAC identified areas for improvement in OPA's guidance around staff engagement with NDIS participants and service providers, particularly in relation to appropriately recording decision-making and referral processes.

The *State Records Act 1997* (SA) places specific responsibilities on public sector agencies and employees to ensure best practice in the management of their records. Importantly, records of financial transactions and decisions are critical to ensuring a robust and transparent public sector. It is therefore important for decision-makers, or their delegates, within a public authority to keep a record of every decision made, including who made it, how it was made, any alternative options considered, and the reasons for the decision.

The OPA Delegations Policy sets out the instrument of delegation of powers and functions conferred on the Public Advocate as a guardian under the *Guardianship and Administration Act 1993* (SA). The policy requires that delegated courses of action – such as decisions, consultations, and communications – be "accurately recorded in Felix, in the relevant client case file, or in another relevant database."[19]

18 The Public Advocate is a statutory officer who heads the Office of the Public Advocate (**OPA**), and is appointed under the *Guardianship and Administration Act 1993* (SA) to promote and protect the rights of people with mental incapacity (impaired decision-making). When a person has impaired decision-making ability and no other suitable support, the South Australian Civil and Administrative Tribunal may appoint the Public Advocate as their guardian. As of 30 June 2025, the Public Advocate was the guardian for 1,597 National Disability Insurance Scheme (**NDIS**) participants, representing 68% of the overall client profile.
19 Felix is the case management system used by the OPA.

The OPA Procedure for Engaging Service Providers for OPA Clients Who Are NDIS Participants provides further guidance to ensure transparency in delegated decision-making relating to NDIS service providers. In particular, it requires that "the OPA staff must document the reason for selecting a service provider in Felix."

Evidence obtained in the investigation revealed that staff would upload copies of email correspondence with NDIS service providers into Felix, using this as the record of their rationale for engaging a particular provider. While this practice gave the appearance of compliance with the relevant policy and procedure, an over-reliance on email correspondence to document what may be a formal and consequential decision presents an integrity risk for the OPA.

Public officers responsible for allocating funds – including the awarding of paid work to service providers – can be vulnerable to improper influence. It is therefore important that the OPA demonstrates transparency through appropriate documentation of formal decisions and actions, together with the rationale and justification behind them.

ICAC issued the following recommendation to the OPA to prevent integrity risks and unethical conduct of the type alleged from occurring:

1. Develop a formal guide or template for the recording of decisions related to the engagement of service providers for OPA clients. In particular:

    a. The guide or template should include guidance around recording the rationale for decisions made, identifying who was involved in the decision-making process (including the declaration of any conflicts of interest) and records of any relevant written and verbal communication with OPA clients.[20]

The OPA welcomed the recommendation and agreed to develop a guide or template, including guidance around recording the rationale for decisions made relating to the engagement of service providers for OPA clients.[21]

20 It should be noted that this recommendation is intended to be applicable in the context of all OPA clients, including those of NDIS participants.
21 At the time of the investigation, the OPA was also considering the introduction of a tiered approval framework based on the monetary value of each client's NDIS plan. Under the proposed approach, higher-value plans would be subject to more stringent requirements and higher levels of delegated approval.

Department of Human Services

Undeclared secondary employment and undefined rules

February 2026

ICAC investigated the conduct of five Disability Service Officers (**DSO**) formerly employed within the Department of Human Services (**DHS**). It was alleged that the DSOs failed to declare secondary employment with an NDIS service provider, accessed confidential information about DHS clients, and misused it to improperly influence the transfer of those clients to the NDIS service provider.

The evidence obtained confirmed that the DSOs had failed to seek DHS' permission for their secondary employment, as required under the Code of Ethics for the South Australian Public Sector[22] and DHS' internal policies. However, the investigation found that the correct procedures for referring clients to an NDIS service provider had otherwise been followed.

In examining the broader policy framework, ICAC identified inconsistencies in the definition of a conflict of interest across several DHS policies.

The DHS Conflict of Interest Policy defined a conflict of interest as arising when "a staff member or an associate has, seeks or may be perceived as having or seeking to obtain pecuniary or other personal interest which conflicts or may conflict with the proper discharge of their duties".[23] The Outside Employment Policy defined it as arising when "a public official who, contrary to the obligation and absolute duty to act for the benefits of the public or designated individual, exploits the relationship for personal benefit, typically pecuniary". Notably, this second definition also appeared elsewhere within the Conflict of Interest Policy itself, creating inconsistency even within a single document.

At best, this may have left DHS staff unclear on their obligations. It may also have left DHS susceptible to improper conduct.

ICAC issued the following recommendations to DHS to further improve its integrity safeguards:

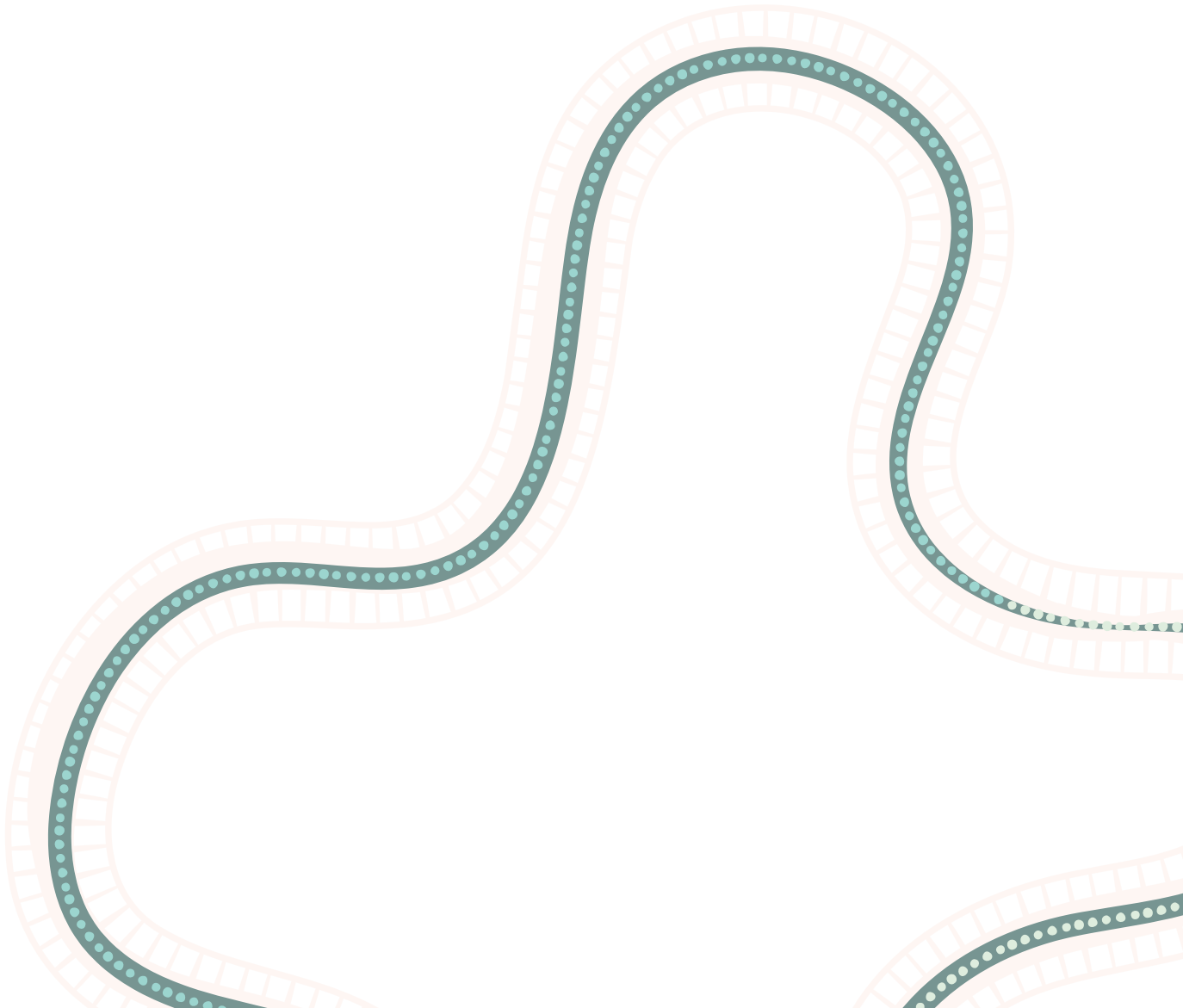
1. DHS should review and update the Conflict of Interest Policy and Outside Employment Policy to accurately describe a conflict of interest

2. DHS should issue a communication to all employees reminding them of their obligations to declare secondary employment and conflicts of interest. This communication should remind employees that secondary employment approval may be required, and that a conflict of interest may need to be declared, particularly if an employee or their family member is employed by a private business that receives NDIS payment from DHS clients.

22 Code of Ethics for the South Australian public sector.
23 At the time of the investigation, the Conflict of Interest Policy was due to be reviewed in July 2024.

DHS should include information regarding employee obligations to declare conflicts of interest and secondary employment in DHS' induction processes, and regularly remind employees of such obligations.

Following the issuing of these recommendations, DHS immediately took steps to commence a review and consultation process of its policies and procedures to implement ICAC's recommendations. DHS also confirmed that requirements relating to conflicts of interest and outside employment had been actively communicated and reinforced across the organisation as part of its broader communication plan.



Conclusion

The matters discussed in this report demonstrate that corruption risks can arise across a wide range of public sector activities, including through routine processes and everyday decisions. While the circumstances of each matter differ, they highlight the importance of maintaining strong integrity arrangements that are practical, well understood by staff and contractors, and responsive to trends. Many of the lessons learned will also be applicable to other public sector agencies.

The responsibility to protect public resources belongs to everyone involved in delivering public sector services. Whether it is ensuring recruitment decisions are fair, procurement processes are transparent, information and assets are used appropriately, or funding reaches those who need it most, every action contributes to maintaining trust in public institutions.

As new challenges emerge, continued awareness and a strong commitment to integrity will remain essential. By learning from real-world examples of corruption risk and acting on ICAC's recommendations, public authorities can strengthen their integrity arrangements to remain responsive to contemporary risks and continue to serve the needs of the community.

Appendix

Information Sheet: Corruption Prevention Recommendations

Why have I received this letter?

ICAC investigations often identify gaps or vulnerabilities in an organisation's systems, policies, procedures or practices that expose public authorities to the risk of corruption.

When this occurs, ICAC writes to the public authority concerned to bring these risks to its attention and makes recommendations about how they can be addressed.

You have received a letter because a recent ICAC investigation identified corruption risks in your organisation and is proposing to make recommendations to address them.

What do I need to do?

The letter you have received will contain recommendations ICAC proposes to make to your organisation.

It is our practice to seek the views of a public authority before ICAC finalises any proposed recommendations. This helps us ensure recommendations are sound and capable of being effectively implemented.

Please consider the proposed recommendations and provide any feedback or comments you may have, including whether the recommendations are accepted. This feedback should be received by ICAC **within two weeks of the date of the letter**.

If we do not hear from you within two weeks, we will assume you have accepted the proposed recommendations.

Who can I talk to about the letter?

You may disclose the information in the letter to any person you consider it necessary for the purposes of considering, responding to or implementing the proposed recommendations.

Section 54 of the *Independent Commission Against Corruption Act 2012* (SA) (**ICAC Act**) creates strong restrictions about when information about an ICAC investigation can be disclosed. However, your letter will contain an authorisation permitting you to disclose information in the above circumstances.

If you think you will need a wider authorisation, please contact us.

What happens next?

ICAC will consider your response before finalising the recommendations.

If you advise ICAC that you accept the recommendations, they are likely to be made in their current form.

ICAC monitors the implementation of all the recommendations it makes. As such, we ask that you advise us how you intend to implement the recommendations and keep us updated on your progress. You will not need to do this until the recommendations have been finalised.

ICAC does not have the power to require you to implement its recommendations. However, if ICAC is dissatisfied with your response, ICAC may make a report to Parliament expressing that dissatisfaction (see ICAC Act ss 41(4) to (7)).

We will engage with your organisation further before taking any of these steps.

Will the recommendations be published?

Yes, ICAC publishes all the recommendations it makes. The ICAC annual Integrity State report publishes the recommendations made, and how those recommendations were implemented by public authorities.

Examples of recent reports are available on ICAC's website.

Your organisation will be identified in that report as a public authority that has received recommendations. We will inform you in advance when the relevant Integrity State report is to be tabled in Parliament.

Who can I contact if I have any questions?

If you have any questions about any of the information contained in the letter you received or this information sheet, or you foresee any issues with actioning ICAC's recommendations, please get in touch with the contact person in your letter.

You can always reach ICAC's prevention team by email: prevention@icac.sa.gov.au or on 08 8463 5199.

Where can I get support?

Involvement in ICAC activities may be uncomfortable and stressful for some individuals.

You can contact the ICAC Witness Welfare Officer by email: witnesssupport@icac.sa.gov.au or on 08 8463 5161 or alternatively you may wish to seek assistance from your registered health provider (GP), workplace Employee Assistance Provider a private psychologist or the Mental Health Triage Service (Ph. 13 14 65).

Are other corruption prevention resources available?

ICAC's website contains several resources to help you and your organisation identify and manage corruption risks.

ICAC can also provide education sessions for you and your staff. If you would like an education and training session adapted to meet the needs of your organisation, please contact the prevention team using the above details or through the website.

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