



**Australian Government**  
**Australian Commission for  
Law Enforcement Integrity**

# Australian Commission for Law Enforcement Integrity Annual Report

**2022-23**

# Letter of transmittal



Australian Government  
National Anti-Corruption Commission

6 November 2023

The Hon Mark Dreyfus KC MP  
Attorney-General  
Parliament House  
CANBERRA ACT 2600

Dear Attorney-General,

I am pleased to present the 17th annual report of the Integrity Commissioner, concerning the operations of the Australian Commission for Law Enforcement Integrity (ACLEI) for the year ending 30 June 2023. ACLEI ceased operating on 30 June 2023, and its staff and resources were transferred to the new National Anti-Corruption Commission from 1 July 2023.

This report has been prepared by the National Anti-Corruption Commission, in accordance with s 40 of Schedule 2 of the *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022* (Cth), which requires that the National Anti-Corruption Commissioner is to prepare the annual report in accordance with the *Law Enforcement Integrity Commissioner Act 2006* (Cth) (LEIC Act) as if that Act has not been repealed.

The report has been prepared for the purposes of s 46 of the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act) and s 201 of the LEIC Act. This report also includes the annual report about authorities for assumed identities pursuant to subs 15LD(1) of the *Crimes Act 1914* (Cth) (Crimes Act) for the period of 1 July 2022 to 30 June 2023, and the annual report for witness identity protection certificates pursuant to subs 15MU(1) of the Crimes Act for the period 1 July 2022 to 30 June 2023.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Breerton'.

The Hon PLG Breerton, AM, RFD, SC  
Commissioner

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# About this report

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Copies of this report are available at [www.transparency.gov.au](http://www.transparency.gov.au) and on the National Anti-Corruption Commission's website at [www.nacc.gov.au/australian-commission-law-enforcement-integrity](http://www.nacc.gov.au/australian-commission-law-enforcement-integrity).

## Acknowledgements

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This publication should be attributed as the *Australian Commission for Law Enforcement Integrity Annual Report 2022–23*.

## Acknowledgement of Country

In the spirit of reconciliation, the National Anti-Corruption Commission acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and emerging, and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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# PART ONE

# Review by the National Anti-Corruption Commissioner



This report covers the last year of the Australian Law Enforcement Integrity Commission (ACLEI), which came to an end on 30 June 2023, when it was subsumed into the new National Anti-Corruption Commission (Commission). As such, the privilege of presenting ACLEI's last Annual Report falls to me, but I do so very conscious that it is others who are responsible and entitled to the credit for ACLEI's attainments during the reporting period.

In the year to 30 June 2023, as in previous years, ACLEI's core mission remained detecting, investigating, and preventing corruption in jurisdictional agencies, and assisting those agencies to maintain and improve integrity. This year, however, ACLEI concurrently prepared for the establishment and commencement of the Commission. This involved objectives of minimising the caseload of investigations that would be transitioned to the new Commission, by completing as many as possible; undertaking the extensive preparatory work required to prepare for the transition; and 'ending ACLEI well', to leave staff with a sense of pride and satisfaction at their achievement, as they moved to the new Commission.

During 2022–23, the Integrity Commissioner provided 22 investigation reports to the Attorney-General. This report contains summaries of each of them. Three prosecutions arising from ACLEI investigations, involving 3 defendants, were concluded. In addition, as at 30 June 2023: 5 prosecutions, involving 7 defendants,

were before the courts; 5 matters were with the Commonwealth Director of Public Prosecutions for consideration; and investigation reports were being prepared in respect of a further 7 investigations. Only 6 active investigations were transferred to the new Commission. While this reflects the efficient completion of outstanding investigations, it also represents a diligent upholding of standards of integrity in jurisdictional agencies.

After the enactment in late 2022 of the legislation that would create the new Commission, ACLEI in conjunction with the Attorney-General's Department, through a joint project team, undertook the extensive work necessary to ensure that the National Commission would have the requisite people, facilities, systems, and resources to commence operations. This involved substantial recruitment and expansion, which saw ACLEI grow from 81 to 154 staff over the year. The result was that the Commission was able to commence operations from the day of its establishment on 1 July 2023.

The staff of ACLEI have served with dedication and professionalism, during a year of great change. The Commission is fortunate to inherit them, and the knowledge and experience that they bring.

It is fitting on the occasion of this final report to acknowledge ACLEI's history and achievements. This report reproduces accounts, from former Integrity Commissioners and from heads of jurisdictional agencies, which attest to its achievements. From its inception in 2006, ACLEI grew from a staff of about a dozen, all located in Canberra, to a workforce of nearly 180, operating from multiple sites across

Australia. Its jurisdiction expanded from 2 agencies in 2006 to 10 by 2021. Over the last decade, ACLEI has assessed more than 1,000 matters and commenced more than 500 investigations which have led to over 50 prosecutions. It has also developed a broad range of educational material to provide guidance to agencies about corruption risks and vulnerabilities, and prevention measures. A notable initiative was the Commonwealth Integrity Maturity Framework, a tool to assist agencies to create and mature their integrity mechanisms. All this represents a substantial and sustained contribution to the enhancement of integrity in Commonwealth law enforcement agencies.

In her 3 years as Integrity Commissioner, Ms Jaala Hinchcliffe has demonstrated a determined commitment to accountability and transparency, and earned the respect and affection of the staff. Her outstanding leadership has been fundamental to enabling a smooth transition to the new Commission, which through her appointment as an acting Deputy Commissioner, is the fortunate beneficiary of her extensive experience.

All who have worked at ACLEI should be proud of its, and their, achievements. The work and heritage of ACLEI will live on in the new Commission, to the enduring benefit of the Commonwealth.



**The Hon PLG Brereton AM RFD SC**  
Commissioner

National Anti-Corruption Commission



## Extract from the open letter to the Integrity Commissioner and staff members of the Australian Commission for Law Enforcement Integrity

As the sun begins to set on the Australian Commission for Law Enforcement Integrity (ACLEI), it is my privilege to write to you to provide some reflections on the Agency's origin and early days.

The greater part of pre-ACLEI oversight related to complaints by members of the public alleging rudeness or use of excessive force by AFP members including ACT Policing. However, a complaint that a person had been murdered by a 'corrupt AFP officer' (later, the Coroner found that a person had died by natural causes) exposed

the potential limits of the complaints system in the AFP's new high risk operating environment of organised crime and counter-

terrorism. It was this awareness of the change in risk that increased the early policy appetite for some kind of anti-corruption agency for the AFP. At the same time, the then NSW Police Integrity Commission had published surveillance footage of a National Crime Authority secondee taking a bribe from a criminal. The case for a Federal integrity commission was building...

...The dramatic escalation of risk in the operating context of the AFP and the newly established Australian Crime Commission (ACC) gave compelling

reasons for an ACLEI (of some description) and the idea was already being worked up within government at the time of the disagreement between Victoria and the Commonwealth. However, it was almost as if a note was written on the back of an envelope in Cabinet and passed down saying, 'Establish something, now!'. In this context, ACLEI was announced, established and operational within six months. It was a sunrise of sorts, in that the sun came up, but with the accompaniment of a cloudy sky...

...On 16 July 2007, I commenced as the inaugural Integrity Commissioner and the head of ACLEI. It was for a five-year term. (Later, the *Law Enforcement Integrity Commissioner Act 2006* was amended and I was re-appointed for a further two years.) Just prior to my initial appointment, I had been the inaugural ACT Health Services Commissioner and co-head of the newly established ACT Human Rights Commission. The recent experience of establishing that agency proved useful in relation to the ACLEI start-up. Before that, during the first six months of 2006, I had been deployed to Iraq as an Air Force Reservist working in Baghdad in civil-military operations as the military liaison officer to the Independent Electoral Commission of Iraq. So for me, the lead-up to my joining ACLEI had been eventful.

*ACLEI was  
announced, established  
and operational  
within six months*

The immediate challenge was ACLEI's capacity to do anything meaningful within the staffing and budget resources available. ACLEI staff members, including the Integrity Commissioner, amounted to nine. It was always curious to me that, by comparison, the Parliamentary Joint Committee (PJC) on ACLEI had 10 members – five Senators and five Members of the House of Representatives. Never before in the history of the Commonwealth had such extensive oversight arrangements been in place for so few. Of course, parliamentary oversight was there, irrespective of ACLEI's size, for the extensive and intrusive powers accorded to the Integrity Commissioner and their delegates...

...Another response to ACLEI's early situation was to develop the setting whereby corruption issues could be investigated, despite ACLEI's limited capacity. The LEIC Act requires the head of a law enforcement agency to notify the Integrity Commissioner of a corruption issue. The LEIC Act also provides for the Integrity Commissioner to refer a corruption issue for investigation to the agency which referred it. ACLEI adopted this approach to the extent appropriate, to keep our resources dedicated to building intelligence connections and relationships across jurisdictions that would be necessary to uncover high-impact corruption... Despite our still small size (and any self-limiting stereotype of the 'independent' ways anti-corruption agencies might conduct themselves), ACLEI had a strong basis to develop an **'integrity partnership'** with the law

enforcement agencies. It was also a clear inference from our legislation that this is how we should conduct ourselves. Accordingly, we distinguished ACLEI from comparator State agencies in that regard, although it was a point that some media organisations regularly took exception to (with little understanding or evidence)...

...Before ACLEI existed, developed and gave a focus to law enforcement integrity, the Commonwealth's anti-corruption capability was weak (apart from the AFP, which had by then a 20-year head start on everyone else).

Some welcome advice came from a counterpart when I was deliberating on how to structure ACLEI's future staffing – 'you can spend everything you have, and more, on chasing corrupt officials, but what we need most help with is taking corruption prevention seriously'. Feeling invited, ACLEI immediately undertook a review of the ACC's and AFP's corruption prevention arrangements in a publication called *Resistance to Corruption*. Under the leadership of Nick Sellars, ACLEI also established the Community of Practice for Corruption Prevention. The joint agency initiative to work together to share insights and deploy resources across the system (not just on a selfish, agency basis), similarly based on the integrity partnership approach used in our other endeavours, also gave ACLEI the third arm in its strategic motto: **Detect, Disrupt, Deter...**

...It is a credit to you, Commissioner Hinchcliffe and ACLEI staff members, that the specialist role you perform, and the skills you have developed and employ in combating corrupt conduct in law enforcement agencies have been recognised, and will be an important part of the new National Anti-Corruption Commission.

ACLEI will live on in a new form and in a new context. The improvements to anti-corruption practice we/you pioneered are there to be built on.

On that note, whether you were there at the beginning or are relatively new to the task, I take this opportunity to convey my congratulations and admiration to each of you. My very best wishes go with you as you make the transition to the NACC and as the sunset falls on ACLEI after more than 16 years of remarkable achievement.

#### **Philip Moss AM**

Former Integrity Commissioner  
(July 2007 – July 2014)



# Overview of ACLEI

# Overview of the Australian Commission for Law Enforcement Integrity

## Purpose

The LEIC Act established the office of the Integrity Commissioner and ACLEI. The LEIC Act also established ACLEI's priority – to investigate allegations of serious and systemic corruption in designated law enforcement agencies.

ACLEI's purpose was to make it more difficult for corruption to occur or remain undetected in designated Australian Government law enforcement agencies.

ACLEI's purpose supported its single outcome under the Attorney-General's Portfolio Budget Statements 2022–23, which was to provide independent assurance to the Australian Government that Commonwealth law enforcement agencies and their staff act with integrity by detecting, investigating and preventing corruption.

ACLEI had one program under the Portfolio Budget Statements – detect, investigate and prevent corruption in prescribed law enforcement agencies; assist law enforcement agencies to maintain and improve the integrity of staff members.

The LEIC Act and the *Law Enforcement Integrity Commissioner Regulations 2017* (LEIC Regulations) detailed a range of reporting requirements, including specifying a range of matters which must be reported in the Integrity Commissioner's annual report. These continued as ACLEI was subsumed into the National Anti-Corruption Commission.

This annual report meets ACLEI's reporting obligations under the LEIC Act and Regulations and under the PGPA Act to demonstrate how it met its purpose and objective.

## Role and function

ACLEI achieved its purpose and outcome by performing the functions set out in the LEIC Act through 5 key activities to:

- » detect corruption and enhance partner agencies' capability to detect corruption
- » receive and assess notifications and referrals of alleged corrupt conduct by members of Commonwealth law enforcement agencies
- » conduct investigations into serious and systemic corrupt conduct in Australian Government law enforcement agencies
- » support partner law enforcement agencies to conduct their own investigations
- » prevent corrupt conduct in Commonwealth law enforcement agencies.

The first of those, the detection capability, was introduced in 2022–23. Over the year, a focus on detection assisted ACLEI's proactive capabilities and provided increased support to partner agencies in identifying potential corruption vulnerabilities.

In 2022–23, the following agencies were subject to the Integrity Commissioner's jurisdiction:

- » Australian Criminal Intelligence Commission (ACIC)
- » Australian Federal Police (AFP), including ACT Policing
- » Australian Transaction Reports and Analysis Centre (AUSTRAC)

- » Department of Home Affairs (Home Affairs) including the Australian Border Force (ABF)
- » prescribed aspects of the Department of Agriculture, Fisheries and Forestry (DAFF)
- » Australian Competition and Consumer Commission (ACCC)\*
- » Australian Prudential Regulation Authority (APRA)\*
- » Australian Securities and Investments Commission (ASIC)\*
- » Australian Taxation Office (ATO)\*
- » The Office of the Special Investigator (OSI).\*

\* In relation to conduct by staff members that relates to the performance of a law enforcement function.

The heads of the agencies under ACLEI's jurisdiction were obliged to notify the Integrity Commissioner of corruption issues in their agencies as soon as practicable once they became aware of them. Information about corruption could also come from members of the public, the Attorney-General, law enforcement and other government agencies and from the Integrity Commissioner's own-initiative investigations.

The LEIC Act established a framework within which the Integrity Commissioner and the heads of the agencies under ACLEI's jurisdiction worked in partnership to detect and investigate corruption issues and prevent corrupt conduct within those agencies.

This arrangement recognised both the continuing responsibility that agency heads had for the integrity of their staff members and the role that the Integrity Commissioner, as an independent decision-maker, played in the law enforcement integrity framework. Accordingly, the Integrity Commissioner worked to ensure that indications and risks of corrupt conduct in law enforcement agencies were identified and addressed, to strengthen those agencies against compromise.

## Jurisdiction

An allegation fell within the Integrity Commissioner's jurisdiction if it was a corruption issue as defined in s 7 of the LEIC Act:

1. For the purposes of this Act, a corruption issue is an issue whether a person who is, or has been, a staff member of a law enforcement agency:
  - a. has, or may have, engaged in corrupt conduct; or
  - b. is, or may be, engaging in corrupt conduct; or
  - c. will, or may at any time in the future engage in corrupt conduct.
2. To avoid doubt, an allegation, or information, may raise a corruption issue even if the identity of the person is unknown, is uncertain or is not disclosed in the allegation or information.

For the AFP, Home Affairs, ACIC, AUSTRAC and DAFF, the LEIC Act provided 2 limbs that needed to be satisfied for an allegation to be a corruption issue. For the ATO, ACCC, ASIC, APRA and OSI, the LEIC Act provided 3 limbs that needed to be satisfied for an allegation to be a corruption issue.

### **An allegation that relates to AFP, Home Affairs, ACIC, AUSTRAC or DAFF**

1. Is the allegation about a person who is or was a staff member of a law enforcement agency?
  - » Section 10 of the LEIC Act sets out the definition of staff members for each agency.
  - » For DAFF staff, consideration must also be given to s 7 of the LEIC Regulations.
2. Is the allegation that the person, while a staff member, engaged, may be engaging or will engage in corrupt conduct?

Engages in corrupt conduct is defined in s 6 of the LEIC Act. A staff member of a law enforcement agency engages in corrupt conduct if, while a staff member of that agency, they engage in:

- » an abuse of office
- » perverting the course of justice
- » corruption of any other kind.

If both limbs are satisfied, then the allegation is a corruption issue and within ACLEI's jurisdiction.

### An allegation that relates to ATO, ASIC, APRA, ACCC or OSI

The ATO, ASIC, APRA, ACCC and OSI have been prescribed by the LEIC Regulations to be a law enforcement agency under s 5 of the LEIC Act. In these circumstances, there is an additional limb that needs to be satisfied before an allegation is a corruption issue and within ACLEI's jurisdiction.

1. Is the allegation about a person who is or was a staff member of a law enforcement agency?
  - » Section 10(4) of the LEIC Act sets out the definition of staff members for agencies that are prescribed for the purposes of paragraph (d) of the definition of law enforcement agency are the class of persons prescribed by the regulations.
  - » Section 7A of the LEIC Regulations sets out the definition of staff members of each agency.

2. Is the allegation that the person, while a staff member, engaged, may be engaging or will engage in corrupt conduct?

Engages in corrupt conduct is defined in s 6 of the LEIC Act. A staff member of a law enforcement agency engages in corrupt conduct if, while a staff member of that agency, they engage in:

- » an abuse of office
- » perverting the course of justice
- » corruption of any other kind.

3. Does the alleged conduct relate to the performance of a law enforcement function?
  - » The definition of engages in corrupt conduct provides that if a law enforcement agency comes into ACLEI's jurisdiction through regulation, the conduct must relate to the performance of a law enforcement function (see subs 6(2) of the LEIC Act).

Law enforcement function is defined in s 5 of the LEIC Act and 'relates to':

- » an investigation into whether an offence has been committed against the law of the Commonwealth. This relates to the commission of criminal offences;
- » an investigation into whether there has been a contravention of a law of the Commonwealth under which a civil penalty proceeding may be brought. This refers to legislative civil penalty provisions. Civil penalties are distinct from other action which may be undertaken by an agency where they are the decision-maker. Civil penalties, like criminal offences, are determined by a court;
- » dealing with information to assist with the enforcement of Commonwealth laws.

If all 3 limbs are satisfied, then the allegation is a corruption issue and within ACLEI's jurisdiction.

## Key activities

**Purpose: To make it more difficult for corruption to occur or remain undetected in the Australian Government law enforcement agencies within the Integrity Commissioner’s jurisdiction.**

### Key activities

- |                         |  |
|-------------------------|--|
| 1. Detection            | <p>To detect corruption and enhance our partner agencies’ capability to detect corruption through:</p> <ul style="list-style-type: none"><li>» targeted, systematic intelligence collection</li><li>» proactive analysis and assessment of a broad range of data sources, including media and public reporting</li><li>» production of detailed analysis on indicators, themes and trends within the corruption landscape</li><li>» responding to indications of separate corrupt activity identified during our ongoing investigations</li></ul>  |
| 2. Assessments          | <p>To receive and assess notifications and referrals of alleged corrupt conduct by members of Commonwealth law enforcement agencies through:</p> <ul style="list-style-type: none"><li>» providing reporting channels for agencies and members of the public</li><li>» assessing reports of alleged corrupt conduct in a timely fashion</li><li>» dealing with reports of alleged corrupt conduct in the most appropriate manner</li></ul>   |
| 3. ACLEI investigations | <p>To conduct investigations into corrupt conduct in Commonwealth law enforcement agencies through:</p> <ul style="list-style-type: none"><li>» using our expertise as investigators to fully investigate referrals and notifications of alleged corrupt conduct</li><li>» effectively and efficiently analysing intelligence from a range of sources to further our investigations</li><li>» ensuring investigations are completed in a timely fashion</li><li>» working jointly with other law enforcement agencies where appropriate</li><li>» acting within the bounds of our jurisdiction</li></ul> |

### Key activities

- |   |   |
|---|---|
| 4. Supporting partner agency investigations | <p>To support our partner law enforcement agencies to conduct their own investigations, including through:</p> <ul style="list-style-type: none"> <li>» the use of our powers to oversee and manage agency investigations under the LEIC Act, where appropriate</li> <li>» reviewing the progress of agency investigations</li> <li>» providing feedback and advice on agencies' final reports on their investigations</li> </ul>   |
| 5. Prevention                               | <p>To prevent corrupt conduct in Commonwealth law enforcement agencies through:</p> <ul style="list-style-type: none"> <li>» tailored corruption prevention engagement with partner agencies including training and awareness raising events on preventing, detecting and reporting corruption and the role of ACLEI</li> <li>» convening a quarterly Corruption Prevention Community of Practice to share good practices in corruption prevention and address strategic priorities</li> <li>» developing targeted corruption prevention products based on research and analysis of corruption risks and trends</li> <li>» recommending corruption prevention measures (including identification of risks and vulnerabilities) following the conclusion of ACLEI investigations</li> <li>» increasing corruption prevention awareness and impact through ACLEI's website</li> </ul> |

ACLEI's professional and multi-disciplinary corporate and governance services underpinned the effective delivery of these key activities.

These key activities reflected ACLEI's prescribed role as set out in the LEIC Act.

### Key activities

- |                  |  |
|------------------|--|
| <b>Detection</b> | <p>ACLEI detected corruption through a variety of means, including proactive investigation techniques, covert and technical capabilities, media and partner agency reporting, or through identifying separate and additional corruption in an ongoing operation.</p> <p>ACLEI's strategic intelligence and data analysis and corruption prevention functions provided information to partner agencies about themes, trends and indicators of corruption arising from particular subjects, environments and activities. This enabled agencies to detect corruption which can be referred to ACLEI for assessment.</p> |
|------------------|--|

Key activities	
<b>Assessments</b>	<p>When ACLEI was made aware of a corruption issue relating to a jurisdictional agency through a notification or referral, it was assessed and a decision was made as to how the corruption issue should be dealt with.</p> <p>If the matter potentially involved serious corruption and/or systemic corruption (as defined in s 5 of the LEIC Act), the Integrity Commissioner prioritised investigation by ACLEI; if it did not, the Integrity Commissioner decided how it should most appropriately be dealt with.</p> <p>If the notification or referral nevertheless related to a corruption issue, the Integrity Commissioner could refer the matter to the partner agency to investigate or refer to another agency best placed to investigate.</p> <p>If the notification or referral did not relate to a corruption issue, the Commissioner could decide to take no further action.</p> <p>In some cases, the LEIC Act required the partner agencies to stop all other action in relation to any investigation or actions being taken regarding the alleged corrupt conduct while ACLEI's assessment of the referral or notification was underway. As such, it was imperative that our assessment process was completed as quickly as possible.</p>
<b>ACLEI investigations</b>	<p>If the Integrity Commissioner decided ACLEI should investigate, that investigation could have been undertaken by ACLEI alone, or jointly with another government or integrity agency for the Commonwealth, or a state or territory. ACLEI focused on ensuring that its investigations were thorough, properly targeted and completed in a timely way. Where investigations were joint with another agency, ACLEI worked closely to identify investigative priorities, ensuring there was a clear investigation plan and joint risks were effectively managed.</p>

## Key activities

### Supporting partner agency investigations

If the Integrity Commissioner decided a partner agency should investigate, ACLEI provided support and ensured the agency's investigation was undertaken in a thorough and timely manner.

The Integrity Commissioner could decide to oversee or manage the investigation by the partner agency, or for the agency to undertake the investigation independently.

The agency was required to provide regular progress reports to the Integrity Commissioner through the investigation and a final report once the investigation was completed. The Integrity Commissioner could make comments or recommendations on the investigation, its outcome and/or preventive measures that had or could be put in place to address ongoing corruption vulnerabilities.

### Prevention

ACLEI provided support to partner agencies to prevent corruption and address vulnerabilities, based on the evidence obtained through investigations and insights from engagements with Commonwealth agencies and other key stakeholders.

Engagement with the Australian Parliament and the public served an important purpose – in providing assurance to both the Parliament and the public about the integrity of Commonwealth law enforcement agencies. Education and early engagement also acted as a deterrent to those who might be tempted to engage in corrupt conduct.



## ACLEI's birth was underwhelming

Extract of letter to Integrity Commissioner Jaala Hinchcliffe.

The Commonwealth had for some time withstood the suggestion that it follow the lead of some Australian States (and many other countries) and establish an independent anti-corruption commission. The familiar explanation was that a separate Commonwealth agency was not a priority. Corruption risks were thought to be low, and existing parliamentary and executive oversight processes were said to be adequate.

*A great testament to ACLEI's growth and remarkably effective work is that the ACLEI model was highly influential in the design of the new National Anti-Corruption Commission*

The Government change of mind to create ACLEI was unconvincing. A backroom explanation was that it had become politically expedient to create a federal agency that was authorised to exercise telephone interception powers. This relieved the pressure to allow new State agencies to do so.

The meagre budgetary and staff allocation to ACLEI reflected the Commonwealth's ambivalence. ACLEI opened with 9 staff, an annual budget of around \$2M, and no purposeful interview or hearing rooms.

The appointment of an Integrity Commissioner to lead ACLEI also had a bumpy start. The person selected as Commissioner didn't take up the position after disagreement on the terms of appointment. I was phoned a week or so before Christmas to help the Commonwealth through this potentially-embarrassing vacuum...

...The outlook from day 1 was confounding. On the one hand, it was pointed out to me that not much was expected of me, and I wouldn't be chastised for under-performance! This was brought home in the first week when an Ombudsman colleague rang to say there were no contact details for the office on the rather bare public website.

On the other hand, I had been a vocal advocate for a national anti-corruption agency, so I could hardly go soft at this stage. We had, I thought, an excellent legislative framework for a national integrity commission. The challenge was to demonstrate that more flesh should be put on the skeleton.

An initial step was to consult key figures in this space – such as the Commonwealth law enforcement agencies within jurisdiction, other Australian anti-corruption commissions, and people such as Justice James Wood who had led the NSW police corruption inquiry from 1994–97. I accepted all invitations to participate in seminars.

I've always thought, too, that a priority task of a new statutory agency is to carve out a philosophy of its own existence. We commenced a research project that Commissioner Moss carried forward

and that is excellently captured in ACLEI's first annual report. Chapter 1 of the report provides an historical context for ACLEI's work by discussing background inquiries, legislative measures and accountability gaps. My Foreword to the report also picks up some of that thinking.

Another early project was to engage a management professional to compare ACLEI's functions and powers to its budget and administrative resources. I was able to share the findings of that study with the Department and also the Parliamentary Joint Committee on ACLEI. In essence the study showed that ACLEI would need a staff of at least 50 before it could commence work on many of its functions. The organisational challenge would mount as law enforcement agencies were rapidly expanding to meet terrorism threats.

I expressed the same guarded views to a journalist from *The Australian* newspaper who rang me to talk generally about police oversight. I was accurately quoted in the front-page article that appeared a couple of days later (12 July 2007). However, as journalists are very clever at doing, the story contained editorial commentary that could be mistaken as my comments.

The heading of the article – 'Police watchdog toothless' – alongside my photo with the by-line 'No budget', was effective in eliciting responses from the Attorney-General (who said he'd look at the issue), the Minister for Justice, the Shadow Minister and the AFP Association. Repeat articles in the following year transposed the editorial

commentary into quotes from me – 'McMillan said the watchdog is a toothless tiger'.

From that potentially career-ending moment, I can now look back with amusement and hope that this was probably my defining legacy to the fledgling ACLEI.

The early days were otherwise relatively smooth – developing templates, manuals, procedures and dealing with a small stream of complaints. My other legacy was to refurbish the Commissioner's office. I knew from Ombudsman days that agencies like to think that oversight bodies are peripheral, and their view is confirmed if you have an office to match.

Building a relationship with the two agencies within jurisdiction – the ACC and the AFP – was also a key activity. Relations were constructive, though I developed a view both at ACLEI and in the Ombudsman's office that the AFP could be testy and dismissive. I later decided to pursue my concern by accepting an invitation from ABC *Four Corners* to be interviewed for a feature on the AFP. I expressed the view that the AFP was the most difficult of all the Commonwealth agencies I had to deal with.

I was not to know that, on the night the ABC program aired, I was staying in the same hotel in Sydney as the Commissioner. I learnt of the coincidence when we caught the same lift the next morning. After a somewhat ambiguous acknowledgement of each other, I broke the ice and said, 'Mick, we need to talk'. We had a heart-to-heart the

following week in Canberra. I'd like to think that triggered the improved relations between our agencies.

A great testament to ACLEI's growth and remarkably effective work is that the ACLEI model was highly influential in the design of the new National Anti-Corruption Commission. A significant criticism of initial proposals was that the Public Sector Integrity Division would not have the same powers and operational strength as the Law Enforcement Integrity Division. That has now changed and the ACLEI model has been carried forward more generally.

The NACC is well-placed to draw on the considerable experience and expertise that ACLEI has developed over 16 years. The future for government integrity in Australia is promising.

Two other anecdotes sum up my pleasant, memorable and brief ACLEI career. Along with other staff I was appointed under the ACLEI Act as an Authorised Officer. There was earnest discussion among staff: should I be 001 or 007? I chose the latter – and proudly display a plaque at home that records this.

And on my last day my other parting gift from staff was – yes – a soft-toy tiger.

#### **Prof John McMillan AO**

Acting Integrity Commissioner  
(December 2006 – July 2007)

## Organisational structure



The Integrity Commissioner, **Ms Jaala Hinchcliffe**, was ACLEI's accountable authority throughout 2022–23.

The Integrity Commissioner was supported by a Deputy Integrity Commissioner and 5 General Managers.



**Ms Petra Gartmann** was the Deputy Integrity Commissioner. In its report tabled in March 2022, the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity recommended that to support the stability of ACLEI and its expansion of jurisdiction and workforce, it should consider the creation and recruitment of a Deputy Integrity Commissioner position within the agency. Ms Petra Gartmann joined ACLEI in August 2022 as the Deputy Commissioner. Ms Gartmann worked closely with the Integrity Commissioner to provide independent assurance to government about the integrity of Australian Government law enforcement agencies and their staff. As a member of the strategic leadership team, Ms Gartmann's responsibilities included overseeing both the operational and corporate functions of ACLEI. Additionally, in the final months of ACLEI, Ms Gartmann led a multi-disciplinary team, working with the Attorney-General's Department, to conclude the work of ACLEI and establish the policies, processes and procedures required for the commencement of the National Anti-Corruption Commission.



**Mr Peter Ratcliffe** was the General Manager Operational Capabilities.

Mr Ratcliffe managed operational capabilities, including digital forensics, electronic collections, evidence management and compliance, intelligence collections, strategic intelligence and data analysis.

The Capabilities team provided technical and other support to the Operations teams, and drove the enhancement of future capability. The Strategic Intelligence and Data Analysis team wrote reports which assisted in identifying corruption themes and trends across ACLEI's jurisdiction, based on detailed data analysis. The Intelligence Collections team was responsible for ACLEI's covert intelligence collection activities.



**Mr Brendan Hough** was the General Manager Operations. Mr Hough managed corruption investigations and operational activity across Australia's states and territories, and oversaw a branch composed of several multi-disciplinary teams of investigators, intelligence analysts and forensic accountants. Operations staff primarily worked to collect evidence and intelligence about corruption allegations and utilised a range of traditional investigation techniques as well as extraordinary investigative powers.



**Mr Jason McGuire** was the acting General Manager Enabling Services. Mr McGuire managed ACLEI's finance, procurement, property and security, and information communications and technology (ICT) teams. The Finance team managed agency financial reporting and the procurement of agency resources. The property team managed ACLEI's property portfolio, including maintenance and the provision of facility services. The security team handled the security of property, people and information, and development and maintenance of security policies and measures to complement and meet the Australian Government's Protective Security Policy Framework. The ICT team were responsible for the provision and management of agency ICT and information management services in liaison with the Attorney-General's Department's ICT department as well as information management systems: Content Manager, case management systems, and the operation of other specific operational and corporate systems.



**Ms Sonja Pase** was the General Manager Executive & Business Support. Ms Pase managed the Project, Media, Executive Support, Governance, and People and Culture teams. The Media team provided the agency with whole of agency media and communications advice and services, including external engagement and internal communications strategies. The Executive Support team provided support to the relevant Executive Directors and general office management assistance. The Governance team provided support to the Integrity Commissioner and senior executives to discharge their obligations relating to the non-financial management of the agency, and was responsible for internal governance processes, including preparing the annual report and corporate plan, parliamentary engagement, legislative compliance, policy responses, audit functions, and overseeing ACLEI's risk management, and fraud and integrity activities. The People and Culture team provided generalist human resources services support to the employees, managers and the agency.



**Ms Rebekah O'Meagher** was the General Manager Legal and oversaw the Legal Branch, including the Operational and Corporate Legal teams. The Legal Branch was responsible for the provision of legal advice in support of operations and corporate matters; managing compliance with the legal services directions; and coordination of hearings under the LEIC Act, including acting as counsel assisting and instructing solicitors in hearings pursuant to the LEIC Act.



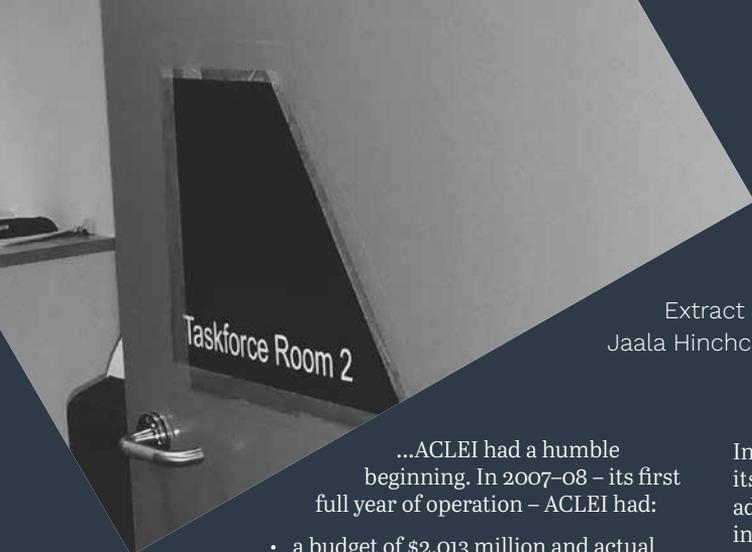
**Mr Angus Burnett** was the General Manager, Corruption Prevention, Education & Evaluation. The Corruption Prevention and Education team supported agencies within the Integrity Commissioner's jurisdiction, addressing corruption risks and vulnerabilities that come to ACLEI's attention through referrals and investigations. The Intake and Triage team provided triage and assessed incoming referrals and notifications, and the Assessments team considered and prioritised these referrals, providing recommendations for action to the Integrity Commissioner.

## PART 2

ACLEI's organisational structure at 30 June 2023 is provided in Figure 1.

**Figure 1: Organisational chart at 30 June 2023**

INTEGRITY COMMISSIONER Jaala Hinchcliffe					
DEPUTY INTEGRITY COMMISSIONER Petra Gartmann					
GENERAL MANAGER, EXECUTIVE AND BUSINESS SUPPORT  <b>Sonja Pase</b>	GENERAL MANAGER OPERATIONS  <b>Brendan Hough</b>	GENERAL MANAGER OPERATIONAL CAPABILITIES  <b>Peter Ratcliffe</b>	GENERAL MANAGER ENABLING SERVICES  <b>Jason McGuire</b>	GENERAL MANAGER LEGAL  <b>Rebekah O’Meagher</b>	GENERAL MANAGER CORRUPTION PREVENTION EDUCATION & EVALUATION  <b>Angus Burnett</b>
Projects	Operations ACT	Operational Capabilities	Information Communications and Technology	General Counsel Operations	Intake and Triage
Media and Communications	Operations NSW	Intelligence Collections	Finance, Procurement, Property and Security	General Counsel Corporate	Assessments
Governance	Operations QLD	Strategic Intelligence and Data Analysis			Corruption Prevention and Education
People and Culture	Operations VIC				
Executive Support	Operations WA				



## A humble beginning

Extract of letter to Integrity Commissioner  
Jaala Hinchcliffe.

...ACLEI had a humble beginning. In 2007–08 – its first full year of operation – ACLEI had:

- a budget of \$2.013 million and actual expenditure of \$2.322 million with the initial seed funding transferred by the Attorney-General's Department
- an average of eight staff to assist the Commissioner comprising employees, acting appointments, casual staff and temporary secondees from other agencies, and
- an initial jurisdiction limited to serious and systemic corruption in the Australian Federal Police and the Australian Crime Commission.

...Fortunately, the Act provided a flexible investigation framework which enabled ACLEI to operate efficiently but economically. When ACLEI received a notification or referral involving a corruption issue, the Commissioner could:

- investigate the issue using only ACLEI resources
- investigate the issue acting jointly with the notifying or other law enforcement agency (including State and Territory law enforcement agencies) and often utilising their specialist capabilities, or
- refer the corruption issue back to the notifying agency (either alone or jointly with another agency) for investigation, appropriate action and subsequent report, noting that ACLEI's coercive powers were not required in all investigations.

In addition, ACLEI tightly managed its internal costs by contracting administrative services such as information technology and human resources from the Attorney-General's Department.

While the Act permitted the Commissioner to hold public hearings, the consistent policy was to conduct inquiries and exercise coercive powers in private hearings. This approach has avoided some of the unjustifiably adverse outcomes in public hearings held by other integrity or corruption bodies.

The ACLEI approach has been taken into account in the design of the new National Anti-Corruption Commission.

The exclusive use of private hearings had one clear disadvantage. ACLEI's activities and outcomes were not widely known and uninformed commentators often dismissed ACLEI as a small and insignificant body.

The reality was quite the opposite. A former Commonwealth Director of Public Prosecutions described ACLEI as the most successful Australian anti-corruption agency at putting people in gaol.

...I was privileged to serve as Acting Integrity Commissioner for six months starting in July 2014 after Philip Moss completed the statutory maximum of seven years' service and concluding with the appointment of his successor, Michael Griffin. In the 2013–14 Annual Report, I wrote:

*ACLEI will have to continue its efforts to prevent corruption and to assist agencies to understand the corruption risks they face.*

*...and provide all possible assistance in combatting them. Corruption is a moving target. The ways in which criminal elements operate are constantly changing, at least partly as a result of what ACLEI refers to as the effectiveness paradox. As ACLEI and its law enforcement partners become more successful at detecting and preventing corruption, it drives organised crime to seek new and sometimes harder to detect means to achieve their illegal ends.*

Since 2014, governmental and public concern about corruption in Australia has continued to grow, reinforced by regular inquiries into, and media reports of, significant corrupt activities at all levels of government and business. Transparency International's 2022 Corruption Perceptions Index shows that most countries are failing to stop corruption. While Australia is ranked 13 out of the 180 countries and territories listed in the Index, it notes:

*Even countries with high CPI scores play a role in the threats that corruption poses to global security. For decades, they have welcomed dirty money from abroad, allowing kleptocrats to increase their wealth, power and destructive geopolitical ambitions.*

So, it is not surprising that, after 16 years of expanding ACLEI's remit, the Government has now taken the next logical step and established a broader National Anti-Corruption Commission and ACLEI is being subsumed within it.

As those machinery of government changes take place, the Integrity Commissioners, ACLEI staff past and present, and the external agency officers who assisted with ACLEI investigations can be very proud of their achievements since 2006.

**Robert Cornall AO**

Acting Integrity Commissioner  
(July 2014 – January 2015)

## Operational overview

Due to the commencement of the National Anti-Corruption Commission on 1 July 2023, ACLEI had 3 main streams of work in 2022–23:

- » to undertake the legislative requirements of ACLEI under the LEIC Act
- » to finish ACLEI well
- » to work with the Attorney-General's Department on the implementation of the NACC.

This operational overview relates to the work that ACLEI undertook in 2022–23 to undertake the legislative requirements of ACLEI and to finish ACLEI well.

In particular, ACLEI continued its operational work through 2022–23, with a particular view to finishing as much of that operational work as possible before ACLEI ended on 30 June 2023. This included careful consideration of which additional investigations to commence through the year, regular reviews of all investigations to ensure that they were finished in a timely manner and focusing on completing as many outstanding investigation reports as possible before the end of ACLEI.

## Assessments

In 2022–23, ACLEI:

Matter	Number
Received (total matters)	<b>468</b>
Tier 2 assessment (completed)	<b>146</b>
Total corruption issues identified	<b>77</b>

ACLEI received a high volume of information each year, much of which was not within the jurisdiction of the Integrity Commissioner. During the 2022–23 financial year, 323 of the total matters received were assessed as being outside of ACLEI's jurisdiction.

## Investigations

In 2022–23, ACLEI:

Matter	Number
Commenced investigations (including joint)	<b>12</b>
Finalised investigations	<b>48</b>

Summaries of the investigation reports provided to the Attorney-General and the prosecutions completed in 2022–23 are provided below. Further details of some investigations are included against relevant performance indicators in the Annual Performance Statement below, with further statistics at Appendix 3.



## Fostering partnerships

Extract of letter to Integrity Commissioner  
Jaala Hinchcliffe.

As our partnership has been fostered over the years, AFP officers have been seconded to ACLEI as Senior Investigators. These secondment arrangements have proven to be beneficial in enhancing the information sharing between our agencies as well as providing opportunities for both ACLEI and AFP members to develop skills and experience beyond their usual duties. AFP Professional Standards has concluded its latest recruitment process with three new Senior Investigators identified... these roles will transition into secondments with the NACC.

*...I would like to acknowledge and thank you for your ongoing engagement and strong partnership with the AFP to deliver operational outcomes for both our organisations, for the benefit of the communities we serve.*

**Reece Kershaw APM**

Commissioner  
Australian Federal Police

## Investigation reports under s 54 of the LEIC Act

During 2022–23, the Integrity Commissioner provided 22 investigation reports to the Attorney-General. Seven of those reports were provided to the Attorney-General in 2 combined report packages (Operations Geranium, Blackwood and Panton and Operations Fitzgerald, Serpentine, Richenda and Irwin). As at 30 June 2023, 11 of these investigation reports had completed the required procedural fairness steps and had

been published under s 210 of the LEIC Act. On 24 May 2023, given that it was less than 6 weeks until the end of ACLEI, the Integrity Commissioner agreed not to consider any further publication of ACLEI investigation reports under s 210 of the LEIC Act, to enable the organisation to concentrate on completing remaining reports and preparing the summaries that are required for the annual report. Summaries of all 22 investigation reports are provided below.

## Summaries of reports under s 54 of the LEIC Act provided to the Attorney-General

### *Operation Tardis*

Operation Tardis considered allegations that a staff member of the ABF engaged in corrupt conduct in authorising 2 milestone payments during the acquisition phase of the Cape Class Patrol Boat project. The Integrity Commissioner found that the ABF staff member did not engage in corrupt conduct; however, a number of corruption vulnerabilities were identified.

As a result of the investigation, the Integrity Commissioner made the following recommendations to Home Affairs:

- a. Review its current records management policy and procedures for high-value contract management projects, to ensure key decisions and executive-level discussions that provide the context or evidence for those decisions are documented and kept appropriately.
- b. Review its high-risk, high-value contract management process to ensure effective controls have been implemented to address the issues identified in Operation Tardis.
- c. Review its processes concerning 'significant issues' and 'settlements' in the *Legal Services Directions 2017* (LSDs) and Rule 11 of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) to ensure that these processes support compliance with these rules in high-value contract management projects.
- d. Ensure the relevant employees involved in contract management are aware of the agency's legislative obligations concerning 'significant issues' and 'settlements' in the LSDs and Rule 11 of the PGPA Rules.

### *Operation Phoenix*

Operation Phoenix considered an allegation a Home Affairs employee based overseas had engaged in corrupt conduct in the processing of visa applications. Although no corruption finding could be made, a number of corruption prevention observations were conveyed to Home Affairs.

### *Operation Johnston*

Operation Johnston was a joint investigation between ACLEI and Home Affairs, into whether a detention service officer employed by Serco Australia Pty Ltd (Serco) received money in exchange for providing drugs to detainees at the Villawood Immigration Detention Centre. The investigation did not identify any evidence the officer had engaged in the alleged conduct. No corruption findings were made.

### *Operation Barnett*

Operation Barnett was a joint investigation between ACLEI and the Australian Taxation Office (ATO) into allegations a former ATO employee sent sensitive taxpayer information to their personal email account on the final day of their employment. The investigation confirmed the ATO employee sent the sensitive information to their personal address, but did so in order to enable them to answer questions from an ATO employee who had assumed conduct of an investigation in which the former employee had been involved during their employment with the ATO.

No corruption findings were made against the former ATO officer because there was no evidence the officer had engaged in corrupt conduct.

### *Operation Dureau*

Operation Dureau was a joint investigation between ACLEI, the AFP and Home Affairs into allegations that 2 Australian Border Force (ABF) officers (Officer A and Officer

## PART 2

B) were connected to criminal entities and facilitated the importation of illicit drugs into Australia. The investigation focused on identifying the individuals, any connections they had to criminal entities and whether the ABF employees had used their positions to facilitate drug importations into Australia.

The investigation did not find any evidence Officer A had engaged in the conduct alleged. Accordingly, no corruption findings were made against them.

The evidence showed the second officer, Officer B, had made over 480 unauthorised accesses of ABF databases regarding 3 international consignments, between October 2012 and December 2013. Two of these consignments contained illicit drugs. The evidence obtained did not substantiate allegations that they:

- » provided information about the consignments to criminal entities, or
- » received any payment for looking up the consignments.

However, the investigation found Officer B engaged in corruption of any other kind when they acted contrary to their obligations, in looking up the consignments without a business need.

As a result of this investigation, Officer B was charged with unauthorised access to restricted data, contrary to s 478.1(1) of the *Criminal Code Act 1995* (Cth), in relation to 487 accesses of ABF systems. They were convicted and sentenced to an 18-month good behaviour bond.

### *Operation Sale*

Operation Sale was an investigation into allegations that detention services officers employed by Serco were engaging in corrupt conduct by facilitating the supply of drugs at Villawood Immigration Detention Centre as well as providing tip-offs to detainees about

drug searches. The investigation did not show any evidence to support the allegations. No corruption findings were made as a result of this investigation.

### *Operations Geranium, Blackwood and Panton*

Operations Geranium, Blackwood and Panton were joint investigations between ACLEI and the AFP regarding allegations that a former AFP Deputy Commissioner abused his office or engaged in corruption of any other kind by:

- » unlawfully disclosing sensitive information that related to an existing AFP investigation (Operation Geranium),
- » inappropriately using AFP legal resources to assist a colleague with a natural justice response and to assist a relative with a homework assignment (Operation Panton),
- » using his position to dishonestly obtain a benefit for relatives, namely AFP Specialist Response Group (SRG) resources on a 'shoot' and giving them access to AFP training and expertise (Operation Blackwood).

These matters were investigated between 2018 and 2020. The former AFP Deputy Commissioner was charged with alleged offences arising from Operations Panton and Blackwood in 2020 and acquitted of those charges in 2021. After procedural fairness consultation in 2022, the Integrity Commissioner provided her investigation report to the Attorney-General on 16 November 2022.

The Integrity Commissioner made the following recommendations to the AFP:

1. Noting the heightened powers and authority associated with senior positions, that the AFP:
  - a. Provide guidance to its senior leaders on implementing and exemplifying the AFP Code of Conduct and integrity framework, using relevant examples to

illustrate the most significant integrity risks and responsibilities associated with their position.

- b. Design and implement tailored compulsory integrity training and awareness-raising for AFP senior executives.
  - c. Distribute this guidance to all AFP appointees, to ensure they are made aware of how the AFP's integrity framework applies to its senior leaders.
2. That the AFP review its integrity framework to ensure that the AFP's internal reporting frameworks clarify how concerns relating to senior executives can and must be reported and will be managed to prevent conflict of interest and reprisal.
  3. That the AFP review internal guidance surrounding the use of internal legal resources, including by clarifying the circumstances under which internal legal resources may be engaged.
  4. That the AFP review internal guidance surrounding internal PRS investigations, including by:
    - a. Clarifying the roles and responsibilities of support persons.
    - b. Clarifying the meanings of significant terms used throughout the process.
    - c. Setting out a clear process to identify, declare and manage actual, perceived or potential conflicts of interest for support persons.
  5. That the AFP review its internal governance of specialist capability demonstrations including by:
    - a. Establishing a transparent process for the approval of capability demonstrations.
    - b. Clarifying roles and responsibilities of AFP appointees while on range.

The evidence obtained during this investigation did not substantiate any of the 3 allegations that the former Deputy Commissioner had engaged in corrupt conduct. Accordingly, the Integrity Commissioner did not make any findings of corrupt conduct as a result of this investigation.

### *Operation Starburst*

Operation Starburst considered allegations that a Home Affairs employee used their position as a Visa Decision-maker to assist their associate to obtain 2 visas for themselves and a family member. It was also alleged the Home Affairs employee made multiple unauthorised accesses to Home Affairs systems during their employment.

The investigation confirmed the allegations and 3 corruption findings were made against the Home Affairs employee. Two findings were made that the officer abused their office by using their knowledge as a Visa Decision-maker to assist their associate in obtaining 2 visas. The other finding was that the officer engaged in corruption of any other kind by improperly accessing Home Affairs information to assist their associate.

As a result of this investigation, the officer was charged with and pleaded guilty to 12 offences pursuant to the *Criminal Code Act 1995* (Cth):

- » 2 charges of abuse of office,
- » 10 charges of unauthorised access to Commonwealth data.

The officer was convicted and sentenced to a total of 18 months imprisonment, which was suspended upon them entering into a good behaviour bond for 18 months and undertaking to forfeit \$25,000 for breaching the bond.

## PART 2

### *Operation Cane*

Operation Cane investigated whether a Home Affairs employee, Officer X, had engaged in corrupt conduct by using their access to the Integrated Client Services Environment (ICSE) system to obtain information about and interfere with witnesses in a criminal trial.

In the course of the investigation, Officer X's relative and Home Affairs employee, Officer Y, was also identified as a person of interest. The investigation did not find evidence of either employee interfering with witnesses in a criminal trial. However, the investigation did find that both had accessed ICSE records without a lawful business purpose. Both pleaded guilty to unauthorised access to restricted data contrary to s 478.1(1) of the *Criminal Code Act 1995* (Cth).

Officers X and Y were convicted without passing sentence, upon entering into a recognisance to be of good behaviour for 12 months.

The Integrity Commissioner made a corruption finding against Officer X but did not make a corruption finding against Officer Y, given the circumstances of the matter, which involved a relatively small number of unauthorised accesses.

### *Operation Calder*

Operation Calder considered allegations that AFP appointees colluded to award redundancies to 2 AFP appointees, to which they were not legitimately entitled.

The investigation did not identify evidence of collusion or conduct that was engaged in for a corrupt purpose and on this basis, no corruption findings were made.

The investigation resulted in a recommendation being made to the AFP by the Integrity Commissioner that the AFP provide guidance to AFP senior executives in relation to the legal and policy framework

governing redundancy and restructure set out in the *Income Tax Assessment Act 1997* and relevant enterprise agreements.

### *Operation Kent*

Operation Kent was a joint investigation by ACLEI and Home Affairs into allegations that an ABF staff member was using their access to Home Affairs systems and professional knowledge to facilitate the fraudulent approval of visas for members of the Indian community. The investigation did not find any evidence supporting the allegations or that the employee had misused Home Affairs databases or that he had passed any information to associates. No corruption findings were made as a result of this investigation.

### *Operation Mortlock*

Operation Mortlock was a joint investigation between ACLEI, Home Affairs, the AFP and Victoria Police (VicPol), into an allegation that a suspected narcotic seized by the ABF, transferred to the AFP, then to VicPol, was substituted with an innocuous substance.

The investigation found that it was most likely the substitution occurred while the substance was in the ABF's possession.

Despite a thorough investigation, there was insufficient evidence to identify the person or persons who undertook the substitution, and so no corruption findings were made. This was due to identified instances where ABF officers entered restricted access rooms by means of tailgating and not individually swiping, and the unavailability of CCTV footage at the time the incident occurred.

The investigation also revealed that there were inconsistent approaches by ABF officers when examining seized substances. Operation Mortlock highlighted the importance of having robust evidence-handling procedures that are clearly

communicated, understood, reviewed and enforced, and agencies completing periodic reviews of procedures and security culture.

### *Operation Richenda*

Operation Richenda was a joint investigation by ACLEI, ACIC, AFP and Home Affairs into allegations that a 'senior ACIC officer' disclosed information to a criminal syndicate about a law enforcement investigation into their pending large-scale maritime drug importation. The allegation was that this information was leaked from a multi-agency meeting about the law enforcement investigation.

The corruption investigation did not find evidence which supported the allegation. The messages which were said to demonstrate the criminal syndicate had obtained law enforcement information did not relate to a maritime importation, but an air-freight importation. The timing of the messages was also revealed to be before the date of the multi-agency meeting. Further, the evidence indicated that the maritime importation was abandoned by the syndicate due to concern about aerial surveillance rather than due to information from a corrupt source. Thus, no corruption findings were made.

### *Operation Fitzgerald*

Operation Fitzgerald was a joint investigation by ACLEI and ACIC into allegations a criminal entity had a corrupt contact within the ACIC Sydney office who provided them with information from AFP and ACIC systems.

The source of the allegations was deemed unreliable and the information on which the allegation was based was found to be questionable. Additionally, the contemporaneous notes of the information which formed the basis of the allegation were destroyed.

Due to insufficient evidence to substantiate the allegation, no corruption findings were made.

As a result of the investigation, the Integrity Commissioner recommended that ACIC:

- » Review the real-time and retrospective audit capabilities of Palantir, ACID and Trim, to ensure that meaningful information can be efficiently extracted about how they are being used, when, and by whom.
- » Review their human source related governance, standard operating procedures, and policies, to ensure that the handling of contemporaneous notes is in line with the *Archives Act 1983* (Cth), and subsequently ensure their human source staff are informed of the relevant requirements.

On 23 December 2022, in response to these recommendations, ACIC advised they were in the process of reviewing their Human Source Policy and Procedures.

### *Operation Serpentine*

Operation Serpentine was a joint investigation by ACLEI and ACIC into allegations that a member of a criminal entity received law enforcement information which compromised a joint ACIC and Queensland Police Service (QPS) investigation into the transfer of illicit substances.

The evidence obtained in the investigation indicated that the criminal entity became aware of the joint ACIC and QPS investigation because it detected law enforcement surveillance on one of its vehicles, rather than from information from a corrupt source.

As the evidence did not substantiate the allegations, no corruption findings were made.

## PART 2

### *Operation Irwin*

Operation Irwin was a joint investigation by ACLEI, ACIC, AFP and Home Affairs into allegations that a criminal syndicate became aware of law enforcement interdiction activities on their pending importation and had received photographs of a shipment that was part of a relevant law enforcement operation.

The information which formed the basis of the referral provided a vague description of the allegedly leaked photographs. Investigators identified 32 photographs which matched the description from the referral. Investigators calculated that more than 400 staff members across the Commonwealth were provided with the photographs or with an opportunity to sight the photographs.

Due to the magnitude of dissemination, the investigation was unable to identify a person of interest. Accordingly, no corruption findings were made.

The investigation revealed law enforcement staff members were taking official photographs classified at the PROTECTED level using their personal mobile devices and disseminating them through unclassified software (WhatsApp). The photographs were shared very widely through multiple agencies, including some staff who likely did not have a legitimate need to receive them. This impacted the investigation.

Operation Irwin highlighted the risks associated with using personal devices for work-related purposes, which have potential to expose sensitive data. It also demonstrated the importance of ensuring staff are aware of the associated information security protocols relevant to the agency and their role.

As a result of the investigation, on 28 October 2020 the Integrity Commissioner wrote to the Secretary of Home Affairs, the CEO of ACIC and the Commissioner of the AFP to alert them to the corruption vulnerability of the use of personal mobile phones in container examination facilities.

### *Operation May*

Operation May was a joint investigation between ACLEI, Home Affairs, the AFP and the New South Wales Crime Commission.

The investigation considered allegations that an unidentified ABF officer was assisting a member of a criminal syndicate, 'Person A', by facilitating the importation of illicit substances into Australia.

The investigation did not identify evidence that an ABF officer was assisting Person A with the illicit importation of substances. Rather, the investigation identified a method by which Person A was using publicly available information to guess whether there was law enforcement interest in relation to particular importations. No corruption findings were made.

### *Operation Dandalup*

Operation Dandalup was a joint investigation between ACLEI and Home Affairs, into allegations a Serco officer:

- » facilitated the supply of contraband into the Villawood Immigration Detention Centre (VIDC) and accepting money in exchange
- » was having an inappropriate relationship with a VIDC detainee's former partner
- » shared confidential information with the detainee's former partner about that detainee.

After a thorough investigation the allegations were not established. While there was evidence that the Serco officer was in an intimate relationship with a detainee's former partner, the relationship did not constitute a breach of the applicable Serco policy. No corruption findings were made.

### *Operation Hann*

Operation Hann was a joint investigation between ACLEI and Home Affairs. It considered whether a former staff member of

the ABF had attempted to use and promote a product within the ABF from a company they had an undeclared interest in. There were 3 specific instances which were investigated.

The Integrity Commissioner found the ABF officer had deliberately failed to declare their interest in the company, and that their conduct was dishonest and contrary to the Australian Public Service Values, but did not make a corruption finding against the staff member, who had resigned from the ABF.

### *Operation Imperial*

Operation Imperial, which commenced on 23 March 2015, was a joint investigation by ACLEI, ACIC, a state police force and a state corruption commission, into allegations that an officer of the then Australian Crime Commission was providing tip-offs to a criminal entity about law enforcement activity.

Although the investigation found that selective or under-reporting by the officer of a relationship between the officer and a suspected criminal entity, failure to adhere to the practices of ACIC in the management of human sources, and failure to take reasonable steps to avoid conflicts of interest, had created a significant corruption risk for ACIC, it found no evidence that the officer had engaged in the corrupt conduct alleged.

As a result, no corruption findings were made, but corruption prevention observations were made about human source management and declarable associations and conflicts of interest. In 2018 and early 2019 evidence of misconduct was referred pursuant to s 146 of the LEIC Act to the CEO of ACIC. A Code of Conduct investigation found that the officer had breached the APS Code of Conduct on 6 occasions. The officer subsequently retired from ACIC.

## Prosecutions

Three prosecutions, involving 3 defendants, arising from ACLEI investigations, were concluded during the year.

In Operation Overbeek, on 13 September 2022, a former Department of Agriculture, Water and the Environment (now the Department of Agriculture, Fisheries and Forestry) employee was found guilty of 3 charges of receiving a bribe as a Commonwealth public official, contrary to s 141.(3) of the *Criminal Code* (Cth), 2 charges of abusing public office, contrary to s 142.2(1) of the *Criminal Code* (Cth) and 2 charges of disclosing information as a Commonwealth officer, contrary to s 70(1) of the *Crimes Act 1914* (Cth), and sentenced to two and a half years imprisonment, to be released on recognisance after 3 months.

In Operation Wilson, on 21 November 2022, a Home Affairs employee pleaded guilty to 2 charges of unauthorised access to restricted data contrary to s 478.1(1) of the *Criminal Code* (Cth), convicted and fined \$4,000.

In Operation Elektra, on 15 July 2022, a former Serco officer plead guilty to 2 counts of being an entrusted person who made a record of or disclosed Immigration and Border Protection information contrary to s 42(1) of the *Australian Border Force Act 2015* (Cth). On 2 November 2022, they were discharged without conviction pursuant to s 19B(1)(d) of the *Crimes Act 1914* (Cth) on entering a recognisance for 10 months.

## Prosecutions before the courts

Five prosecutions, involving 7 defendants, were before the courts as at 30 June 2023.

### **Patterns and trends in corruption**

A number of patterns and trends were observed in the corruption investigations that were finalised by ACLEI or agencies within its jurisdiction and resulted in findings of corrupt conduct or wrongdoing, and/or convictions for corruption offences. These are consistent with trends observed in previous ACLEI reports. This points towards areas where prevention initiatives can be targeted effectively. Key issues are identified below.

Misuse of information continues to be the most widespread form of corrupt conduct identified by ACLEI. It includes unauthorised access to or modification of restricted data, and unauthorised disclosure of information. In many cases, unlawful access to government information is a precursor to subsequent disclosure to unauthorised third parties. This highlights the risks associated with unlawful access, and the scope for reducing risk by vigilance in this area. Agencies should ensure they have in place systems to monitor and manage their information holdings that are in line with their size, resources, and levels of exposure.

The Commonwealth Integrity Maturity Framework (CIMF) is a tool for agencies of all sizes and levels of exposure, to assist in creating and maturing their integrity mechanisms. Such tools enhance the integrity ecosystem in the Commonwealth public sector by providing agencies with support to prevent, report and address integrity issues within their jurisdictions.

Unmanaged conflicts of interest are a prevalent source of corruption issues. Many types of corrupt conduct – such as breaches of public trust, abuse of office and misuse of information – originate from poorly managed conflicts of interest. Such

conflicts therefore pose a substantial risk for government agencies, parliamentarians, and public officials. This is why strong processes to identify, disclose and manage conflicts of interest provide a critical pillar in agency integrity architectures. The implementation of robust hiring processes, both within agencies and through the relevant processes with the Australian Government Security Vetting Agency, are important elements of any prevention strategy to address this. These processes can identify ‘red flag’ issues such as monetary interests in relevant areas, as well as risky personal connections deserving of further inquiry. Ongoing reporting on changes of circumstance and contacts is an effective preventive measure as well.

Another trend that continues to be seen in corruption investigations is internal fraud, which includes misuse of Commonwealth credit cards, forging official documents, theft, and misusing intellectual property. The Australian Institute of Criminology found that the cost of fraud against the Commonwealth in 2020–21 was \$265.9 million. It can also be associated with the involvement of organised crime, which exacerbates other integrity risks.

Alongside these trends it is important to be aware of the risk of grooming, which is the practice of building personal relationships and influence with officials, with a view to then exploiting them for some form of gain or access to information. Grooming can be attempted by diverse individuals and groups, including organised crime, foreign actors, commercial enterprises, and others who wish to influence decision-making or access confidential information. Many types of forms of misconduct can arise as a result of successful grooming, including those mentioned here. Groomers seek to exploit officials’ personal circumstances – such as financial difficulties or other personal issues – in order to gain illegitimate access

to information or influence. Grooming is an illustration of how different integrity risks and vulnerabilities can overlap, creating complex challenges for policymakers and prevention practitioners.

1. [Explore the fraud problem | Commonwealth Fraud Prevention Centre \(counterfraud.gov.au\)](#)

2. [Fraud against the Commonwealth 2021–22 \(aic.gov.au\)](#)

## Investigations raising significant issues or developments in law enforcement

ACLEI investigations which did not result in findings of corrupt conduct nevertheless provided important corruption prevention recommendations to agencies which were investigated. Operation Tardis and Operation Calder were examples of investigations that identified corruption prevention insights of broader relevance across the Commonwealth.

Operation Tardis considered allegations that a staff member of the ABF engaged in corrupt conduct in authorising 2 milestone payments during the acquisition phase of the Cape Class Patrol Boat project. The Integrity Commissioner found that the ABF staff member did not engage in corrupt conduct but made recommendations to address significant corruption vulnerabilities identified in the management of high-risk, high-value contracts.

This investigation exemplified the need for strong frameworks for appropriate decision-making and record-keeping to ensure contract management is undertaken accountably and within relevant legislative parameters such as the PGPA Act. A contract of this magnitude should have been subject to enhanced governance structures such as dual authority/decision makers and a formalised oversight body for key contract management decisions. This investigation

showed the importance of rigorous record-keeping, including written documentation of the reasoning behind key decisions and all exchanges with the contractor.

A corruption vulnerability that was confirmed in Operation Tardis related to senior executive staff integrity. The conduct in this investigation demonstrated either a lack of awareness and training or a disregard for legislative obligations. It may also have been a symptom of self-managing significant risk. Targeted integrity training for managers, particularly those exercising key decision-making powers with respect to major contracts, is a significant area for work across all agencies. The Integrity Commissioner made 4 recommendations to Home Affairs to address the corruption vulnerabilities identified in Operation Tardis.

In Operation Calder, ACLEI investigated allegations that AFP appointees colluded to award redundancies to 2 AFP appointees, to which they were not legitimately entitled. The investigation did not identify evidence of collusion or conduct that was engaged in for a corrupt purpose and on this basis, no corruption findings were made. The Integrity Commissioner nevertheless recommended that the AFP provide guidance to AFP senior executives in relation to the legal and policy framework governing redundancy and restructure. The investigation also highlighted improvements that could be made to the AFP senior leadership's decision-making and record-keeping practices.

To address the vulnerabilities identified in these 2 investigations, ACLEI published a suite of corruption prevention resources on the integrity obligations, expectations and responsibilities required of senior executives in the APS and equivalent roles across Commonwealth public sector entities.



## Border protection

Extract of letter to Integrity Commissioner Jaala Hinchcliffe.

ACLEI's jurisdiction to the then Australian Customs and Border Protection Service came about through adverse circumstances. My predecessors and I have always strived to build a culture of anti-corruption and prevention across our workforce. The collaboration and close engagement with ACLEI and Integrity and Professional Standards Branch (I&PS) in the Department of Home Affairs has promoted this positive culture and stance against corrupt behaviour across the ABF.

The publication of ACLEI's investigation summaries on your website provide our officers with an outcome of the investigation and an understanding of the vulnerabilities within our systems and process. Transparency, accountability and education is critical to anti-corruption within law enforcement agencies. The publication of these reports, along with other initiatives, including support ACLEI provided to the ABF in assisting an officer to share openly with colleagues their experience about efforts by an organised criminal group to groom them, have all contributed significantly to our officers' understanding of preventing corruption. From time to time officers from ACLEI have also presented at Leadership Conferences, which was always received positively.

ACLEI's support to the ABF, even when corrupt conduct was not identified, has revealed administrative vulnerabilities, leading to improved administrative practices. ACLEI's investigations into the Tourist Refund Scheme fraud, off terminal clearance procedures, detention contract management and Special Operations are examples of such work.

*...Finally, I would like to personally thank you for your leadership while overseeing ACLEI. I have valued our quarterly meetings and updates.*

**Michael Outram APM**  
Commissioner  
Australian Border Force

## Corruption prevention

ACLEI undertook activities to prevent corrupt conduct from occurring in Commonwealth law enforcement agencies.

ACLEI's role in the corruption prevention domain included the delivery of tailored engagement activities and resources, based on research, analysis and corruption prevention recommendations following investigations.

## Engagement

ACLEI provided training and awareness-raising for a wide variety of national and international audiences. The topics covered in 2022–23 included the prevention, detection and reporting of corrupt conduct, as well as general education about the role of the agency in the Commonwealth integrity landscape. Engagement included a presentation on integrity maturity at a side event for a meeting of the G20 Anti-Corruption Working Group in September 2022, and an overview of Australia's Commonwealth integrity landscape and ACLEI's operations to a delegation of senior representatives from a number of key integrity oversight bodies in the Pacific Islands.

With the NSW Independent Commission Against Corruption and the NSW Law Enforcement Conduct Commission, ACLEI co-hosted the Australian Public Service Anti-Corruption Conference in Sydney in November 2022. Australian and international experts addressed the conference on risk management, emerging trends and innovative approaches to increasing the effectiveness of workplace integrity systems. The conference attracted its highest attendance to date, with over 600 participants in person and online.

ACLEI was also responsible for convening a Corruption Prevention Community of Practice for stakeholders in its jurisdiction. The group's objectives were to share and develop best practice in corruption prevention. In 2022–23, ACLEI hosted 3 community of practice meetings, in hybrid in-person and online formats. The final meeting was held in March 2023, was co-hosted with the Attorney-General's Department, and was targeted at preparing agencies for the transition to the National Anti-Corruption Commission in mid-2023.

On 9 December 2022, ACLEI and the other Australian state and territory anti-corruption and integrity commissions, published Best Practice Principles for Australian Anti-Corruption Commissions. These principles, which are reflected in the *National Anti-Corruption Commission Act 2022 (Cth)* (NACC Act), are reproduced on the following 4 pages.

## Research and analysis products

ACLEI undertook research and analysis to inform the delivery of targeted corruption-prevention products. In 2022–23, the following products were developed and published on the ACLEI website:

- » The Commonwealth Integrity Maturity Framework, which along with supporting resources, provides a tool for public sector entities to assess and upscale internal integrity systems.
- » Guidance on conflicts of interest to assist agencies to review, update and implement effective conflict of interest frameworks.
- » Guidance on the integrity obligations of senior executives in the Australian Public Service, and equivalent roles across Commonwealth public sector entities.

## PART 2

The 2022–23 Integrity Outlook highlights trends identified over recent years relating to risks and vulnerabilities which led to findings of corrupt conduct. It is intended to inform agencies in the context of the commencement of the NACC Act.

The publication builds on ACLEI's previous corruption trend reporting required under ACLEI's enabling legislation, known as Corruption Vulnerabilities Briefs (2021, 2022).

### **Best Practice Principles for Australian Anti-Corruption Commissions**

Anti-Corruption Commissions have become an important element in the integrity frameworks in place at the state, territory and federal level in Australia, to investigate and report on allegations of corruption by public sector employees, holders of public office, individuals and entities contracted to perform public functions, and people responsible for spending public money.

Anti-Corruption Commissions also perform an important corruption prevention role by exposing systemic risks and providing public education. In recognition of International Anti-Corruption Day, on 9 December 2022 the Commissioners of independent, anti-corruption and law enforcement integrity agencies in Australia launched 12 principles designed to capture the fundamental functions and powers of Anti-Corruption Commissions. While it is clearly the prerogative of each Legislature to determine the jurisdiction, functions and powers of an Anti-Corruption Commission, the following twelve principles were considered as representing best practice for an Anti-Corruption Commission in an Australian jurisdiction:

#### **1. The ability to consider referrals from any third party**

Anti-Corruption Commissions should be empowered to consider an allegation of corruption referred to it by any third party. Third parties, in this context, include public sector employees, heads of government agencies or departments, holders of public office and members of the public. Empowering Anti-Corruption Commissions to receive allegations of corruption from any third party will ensure that the Commission can consider allegations detected by a government agency as well as allegations that are reported by whistle-blowers.

#### **2. The ability to commence an investigation on own volition (own motion powers)**

Anti-Corruption Commissions should be empowered to commence investigations into corruption or maladministration on its own motion, so long as the investigation falls within the jurisdiction of the Commission. This 'own motion power' enables a Commission to initiate investigations into allegations that have been detected by the Commission, rather than limiting its investigation powers to allegations that have been referred to it.

### **3. A requirement for the heads of public sector agencies to report allegations of corruption to the Anti-Corruption Commission**

In keeping with the responsibility of public sector agency heads for the integrity of their agency, public sector agency heads should be subject to a mandatory duty to report allegations of corruption relating to their agency to the Anti-Corruption Commission. This duty to report may also be expanded, as appropriate, to other public officials whose functions might identify allegations of corruption within the Anti-Corruption Commission's jurisdiction.

### **4. The ability to conduct hearings to obtain evidence**

Anti-Corruption Commissions should be able to conduct hearings as a coercive tool to obtain evidence. The features of hearings in this context include:

- » The power to summons witnesses
- » The power to require production of information or documents
- » The provision of evidence under oath or affirmation
- » The express abrogation of the rule against self-incrimination in respect to evidence given or documents or information produced at the hearing, with corresponding use of immunity provisions to ensure that the 'fundamental principle', that the prosecution must prove its case and cannot compel the accused to assist it, is not offended.

Anti-Corruption Commissions should be able to conduct hearings either in public or private. The types of considerations in deciding whether to conduct a hearing in public or in private include reputation, privacy, confidentiality, impact on any criminal proceedings and the public interest.

### **5. The ability to require the production of information or documents**

Anti-Corruption Commissions should be able to require the production of information or documents as a coercive tool to obtain evidence. As with the conduct of hearings, the express abrogation of the rule against self-incrimination should apply in respect to the documents or information produced, with corresponding use immunity provisions to ensure that the 'fundamental principle', that the prosecution must prove its case and cannot compel the accused to assist it, is not offended.

### **6. The ability to refer matters to a prosecuting authority**

Anti-Corruption Commissions are, by their very nature, investigation agencies. They should be empowered (or not restricted in their ability) to refer briefs of evidence assembled as a result of their investigations directly to a prosecuting authority, such as the Director of Public Prosecutions, for assessment for prosecution action.

### **7. The ability to make recommendations**

As with other integrity agencies, such as the auditor-general and ombudsman, it is an important aspect of the work of an Anti-Corruption Commission to be able to make recommendations to heads of public sector agencies that arise from the Commission's work. These recommendations may relate to individuals or systemic issues identified through the Commission's work and have the aim of strengthening the integrity framework and anti-corruption controls and preventing the corrupt conduct from recurring. As a matter of best practice, an Anti-Corruption Commission should also be able to make recommendations to the public sector as a whole, either through a recommendation tabled in Parliament or provided to an appropriate Minister that relate to addressing corruption vulnerabilities or risks generally within the public sector.

### **8. The ability to report on investigations and make public statements**

One of the key ways that an Anti-Corruption Commission can give insight into their operations is through the ability to report on investigations and make public statements. This should include the ability to oversight and report on the implementation of any recommendations. This is important to provide transparency in relation to the way that an Anti-Corruption Commission undertakes their work, to provide assurance to the public and public sector that corruption allegations are appropriately dealt with and as a mechanism of general deterrence.

In preparing a report on an investigation, Anti-Corruption Commissions should provide procedural fairness to persons about whom a finding is proposed to be made. In deciding whether to publish a report or make a public statement, Anti-Corruption Commissions should balance the public interest in disclosing the information with any potential prejudicial consequences that might result.

## 9. A corruption prevention function

As well as having an investigation function, it is best practice for an Anti-Corruption Commission to also have a corruption prevention function. Investigations, by their very nature, focus on events that have already occurred. In contrast, a corruption prevention function focuses on identifying vulnerabilities and potential mitigations to prevent the event from occurring in the first place, or avoid similar events occurring in the same or separate entities. This is a crucial element in a robust anti-corruption framework. The corruption prevention function requires adequate resourcing to be able to support public sector agencies and public officials to mitigate the corruption risks that they face and put in place strong corruption prevention controls. The function may include multiple elements such as education, engagement, research, advice, support and specific projects.

## 10. A sufficient and predictable budget

An Anti-Corruption Commission's capacity to fulfil its statutory functions will be limited by its budget. The Commission's efficacy can therefore be undermined by budgetary restrictions. The threat of a potential reduction in budget also threatens an Anti-Corruption Commission's perceived, or actual, independence. An Anti-Corruption Commission's budget should be sufficient to perform its functions. It should be quarantined so far as possible from the political process.

## 11. Transparency of appointments

The process for appointment of integrity commissioners impacts on the community's perceptions of an Anti-Corruption Commission's independence. Commissioner appointments should be made on the basis of merit following an open and transparent appointment process. Selection should be measured against publicly available criteria, with an independent panel putting forward a shortlist of suitable applicants to the relevant Minister for appointment. Merit should be the dominant consideration in selection. The Council of Australasian Tribunals *Tribunal Independence in Appointments – Best Practice Guide* offers a useful template for this process.

## 12. Appropriate oversight

Given the powers available to Anti-Corruption Commissions, appropriate oversight of Commissions should be established, to ensure transparency and accountability. Appropriate oversight mechanisms include an independent inspectorate and parliamentary oversight through a dedicated parliamentary committee.



## Transformation

Extract of letter to Integrity Commissioner Jaala Hinchcliffe.

As the Australian Commission for Law Enforcement Integrity (ACLEI) is transformed into the National Anti-Corruption Commission (NACC) and as your pivotal

role as Integrity Commissioner comes to a close, I wanted to extend my appreciation and thanks on behalf of the Department of Agriculture, Fisheries and Forestry (DAFF) to you and your team in upholding the purpose of ACLEI, and for growing the levels of integrity across the law enforcement agencies over which you have presided.

As Secretary, I have always appreciated our strong working relationship. I know this has also extended to our Senior Executive Service, Directors and Assistant Directors who have grown effective relationships over the years with the same goal to prevent, detect and investigate corrupt activities.

I am proud that our agencies have worked strongly together and have produced materials to inform and educate other Australian Public Sector (APS) agencies, such as the Operation Voss online video and material. I am also proud of the connections our agencies' leaders have made; these relationships have driven robust and trusted conversations, and the facilitation of open and transparent agency visits. Between 17 and 22 March 2022, ACLEI Investigators attended our Sydney Regional Office and facilities, gaining a thorough understanding of operations and strengthening joint capabilities for the identification and treatment of vulnerabilities.

*ACLEI's leadership and oversight has positioned the department well for the advent of the National Anti-Corruption Commission (NACC).*

Your leadership has provided a legacy to ensure the progress made with ACLEI will continue with the NACC.

I know DAFF's leadership team are looking forward to the opportunities of working within broader jurisdictional considerations and an expanded mission to continue this important integrity work.

**Andrew Metcalfe AO**

Secretary

Department of Agriculture,  
Fisheries and Forestry

# PART THREE

# Annual Performance Statement 2022–23

### Statement by the accountable authority

In accordance with s 40(2) of the *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022*, I am pleased to present the agency's 2022–23 Annual Performance Statement as required under para 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, based on the advice of the Commission's Audit and Risk Committee, this Annual Performance Statement accurately reflects ACLEI's performance during 2022–23 and complies with subs 39(2) of the PGPA Act.

As required by s 10 of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule), I certify that:

- » ACLEI has prepared fraud risk assessments and fraud control plans
- » ACLEI has in place appropriate fraud prevention, detection, investigation and reporting mechanisms that meet its specific needs
- » I have been advised that all reasonable measures were taken to deal appropriately with fraud relating to ACLEI.



#### **The Hon PLG Brereton AM RFD SC**

Commissioner  
National Anti-Corruption Commission

### Reporting framework

#### **The Law Enforcement Integrity Commissioner Act 2006**

The LEIC Act established the office of the Integrity Commissioner and ACLEI, and detailed the Integrity Commissioner's functions. It also set ACLEI's priorities – to investigate allegations of serious and systemic corrupt conduct in designated law enforcement agencies. In conjunction with the LEIC Regulations, the LEIC Act detailed a range of reporting requirements, including specifying a range of matters that must be reported in the Integrity Commissioner's annual report.

#### **Portfolio Budget Statements**

ACLEI operated under the Australian Government's outcomes and programs framework. Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community, and government programs are the primary means by which agencies achieve their intended outcomes. The Portfolio Budget Statements (PBS) set out the outcome that government sought from ACLEI in meeting the objectives of the LEIC Act and the program that was the primary vehicle by which ACLEI was to achieve the outcome.

#### **The ACLEI outcome**

Independent assurance to the Australian Government that Commonwealth law enforcement agencies and their staff act with integrity by detecting, investigating and preventing corruption.

## The ACLEI program

Detect, investigate and prevent corruption in prescribed law enforcement agencies; assist law enforcement agencies to maintain and improve the integrity of staff members.

## Corporate plan

ACLEI's Corporate Plan 2022–26 was prepared in accordance with the requirements of the PGPA Act, and set out how ACLEI planned to achieve its purpose – to make it more difficult for corruption to occur or remain undetected in designated Commonwealth law enforcement agencies.

The corporate plan also detailed how ACLEI assessed its performance against the criteria set out in the PBS, using a range of qualitative and quantitative indicators.

Together, the LEIC Act, the PBS and the corporate plan established ACLEI's performance framework and performance criteria. The Annual Performance Statement describes ACLEI's achievements against its performance framework for 2022–23, shown in Figure 2.

**Figure 2: Reporting framework**



## PART 3

In preparing the ACLEI Annual Performance Statement, data has been drawn from case management systems and other corporate record-keeping systems and, where appropriate, validated with other agencies.

Where this is useful, the presentation of the results includes tables or graphs breaking down information by agency or comparing outcomes over previous years.

This is the second year ACLEI has reported on the revised performance measures, originally set out in the Corporate Plan 2020–24. There are a number of performance measures where the results of the 2020–21 Annual Performance Statement established baselines that are being used for comparison purposes in this Annual Performance Statement.

### 2022–23 performance review

Table 1 sets out ACLEI's performance against its performance measures and targets in 2022–23.

There were 2 performance measures that did not meet their targets:

- » Average duration of finalised investigations – this was higher than the previous financial year, due to the closure of 3 historic investigations that were finalised in over 2,000 days, 2 of which were first received by ACLEI in 2015. Although this result is higher than the previous financial year, it is reflective of ACLEI's success in closing historic cases ahead of the commencement of the NACC.
- » Commonwealth Corruption Prevention Community of Practice meetings – the fourth meeting was not convened in line with a decision to focus on transition to the NACC, and scoping work on the future corruption prevention engagement approach in the significantly expanded NACC jurisdiction.

Table 1: Overview of performance

Measure			Target	Result for 2022–23
<b>Key Activity 1: Detection</b>	1.1	Number of 'own-initiative' investigations commenced under section 38 of the LEIC Act	Annual count	<b>2</b>
	1.2	Number of intelligence products produced	Annual count	<b>28</b>
<b>Key Activity 2: Assessments</b>	2.1	Number of notifications and referrals of alleged corrupt conduct received by ACLEI	Annual count	<b>469 (100%)</b>
	2.2	Number of completed assessments of notifications and referrals	The equivalent of 90% of the number of notifications and referrals received that year	<b>100%</b>
	2.3	Percentage of assessments completed by ACLEI within specified timeframes	90% of s 19 assessments are completed within 30 business days	<b>91%</b>
<b>Key Activity 3: ACLEI Investigations</b>	3.1	Number of investigations commenced	Annual count	<b>12</b>
	3.2	Number of investigations finalised, either through being completed, discontinued or reconsidered	The equivalent of 80% of the number of investigations commenced that year	<b>50 (417%)</b>
	3.3	Average duration of finalised investigations (days)	Comparison against prior year results	<b>1,340 (508)</b>
	3.4	Percentage of briefs of evidence where a charge is recommended after assessment by the Commonwealth Director of Public Prosecutions (CDPP)	75%	<b>100%</b>
	3.5	Number of reports under s 54 of the LEIC Act completed	Annual count	<b>22</b>
<b>Key Activity 4: Supporting Partner Agencies</b>	4.1	Number of investigations referred to partner agencies for investigation	Annual count	<b>31</b>
	4.2	Percentage of reviews of s 66 reports completed within 30 days or the agreed timeframe as negotiated between the Integrity Commissioner and the relevant jurisdiction agency	80%	<b>94%</b>
<b>Key Activity 5: Prevention</b>	5.1	Corruption prevention engagement with ACLEI partner agencies designed to address identified risks and vulnerabilities	Annual count	<b>23</b>
	5.2	Commonwealth Corruption Prevention Community of Practice meetings	4 meetings conducted annually	<b>3</b>
	5.3	Number of corruption prevention products produced	Annual count	<b>17</b>
	5.4	Number of submissions made to, and appearances before, parliamentary committee processes	Annual count	<b>8</b>

## PART 3

The following performance measures were not included in the above table as they are measured biennially and were completed in 2021–22.

Measure		Target	Result
<b>Key Activity 2: Assessments</b>	2.4	Percentage of survey responses from agencies indicating a rating of satisfied (or better) with the timeliness of our assessment work	Target of 70% to be assessed through biennial survey to be undertaken in 2023–24
<b>Key Activity 3: ACLEI Investigations</b>	3.6	Percentage of survey responses from agencies demonstrating a rating of satisfied (or better) with timeliness and professionalism of our investigations	Target of 70% to be assessed through biennial survey to be undertaken in 2023–24
<b>Key Activity 4: Supporting Partner Agencies</b>	4.3	Percentage of survey responses from agencies demonstrating a rating of satisfied (or better) with the quality of our contributions	Target of 70% to be assessed through biennial survey to be undertaken in 2023–24
<b>Key Activity 5: Prevention</b>	5.5	Percentage of survey responses from agencies demonstrating a rating of satisfied (or better) with the quality of our corruption prevention work	Target of 70% to be assessed through biennial survey to be undertaken in 2023–24

## Key Activity 1: Detection

### ACLEI detection-related performance metrics

Source of metric	2022–23 PBS p75, 2022–26 Corporate Plan p31, LEIC Act sub-para 201(a)(iii), s 13 LEIC Regulations		Results at a glance
Measures	1.1	Number of 'own-initiative' investigations commenced under section 38 of the LEIC Act	<b>2</b>
	1.2	Number of intelligence products produced	<b>28</b>
Related Internal measure	Percentage of intelligence products graded as 'useful' or above by agencies		<b>100%</b>

### Overview – detection performance

Detection was a new performance measure introduced for 2022–23. It included investigations which commenced as the result of media reporting, identification of separate corruption issues to that being investigated in an ACLEI operation, or tasking of and reporting from human sources.

It also included analysis by the Strategic Intelligence and Data Analysis team of themes, trends, and indicators of corruption around particular subjects, environments, or activities.

#### Performance measure 1.1

Measure	Target	Result
Number of 'own-initiative' investigations commenced under section 38 of the LEIC Act	Annual count	<b>2</b>

In 2022–23, the Integrity Commissioner initiated 2 'own-initiative' investigations under s 38 of the LEIC Act. This compared with 11 in the previous financial year. The lower number of 'own-initiative' investigations in 2022–23 reflects the focused work that ACLEI undertook in 2022–23 to ensure that the investigations that were commenced in 2022–23 could be completed in 2022–23 or where appropriate be transferred into the National Anti-Corruption Commission.

## PART 3

### Performance measure 1.2

Measure	Target	Result
Number of intelligence products produced	Annual count	<b>28</b>

By advising agencies of current thematic trends identified within the Integrity Commissioner's jurisdiction, ACLEI enabled those agencies to better prevent or detect corruption. Quarter 3 saw a significant increase in strategic intelligence products disseminated as ACLEI received requests from a range of agencies to share its products more broadly, highlighting ACLEI's ability to identify topics and write products agencies found valuable. Assessments focused on corruption trends or risks within specific agencies in the Integrity Commissioner's jurisdiction, and an assessment of indicators of corruption which was adjusted for audiences including agencies within and out of the Integrity Commissioner's jurisdiction.

As the Strategic Intelligence and Data Analysis (SIDA) team was a relatively new team, it continued to make adjustments to ensure assessments were adequately serving their audience. To that end, SIDA sought feedback through a short survey that was attached to all products when disseminated (both internally and externally). While the response rate was not 100%, SIDA received a 100% usefulness and relevance rating for all customers who have completed the survey. SIDA also received requests to share their products beyond ACLEI's core audience, evidencing the utility and relevance of the work undertaken.

## Key Activity 2: Assessments

### ACLEI assessment-related performance metrics

Source of metric	2022–23 PBS p75, 2022–26 Corporate Plan p32, LEIC Act sub-para 201(a)(i–iii), ss 11–13 LEIC Regulations		Results at a glance
Measures	2.1	Number of notifications and referrals of alleged corrupt conduct received by ACLEI	<b>469</b>
	2.2	Number of completed assessments of notifications and referrals	<b>469 (100%)</b>
	2.3	Percentage of assessments completed by ACLEI within specified timeframes	<b>91%</b>
Related reporting requirements under the LEIC Act and LEIC Regulations	<p>For corruption issues notified by agency heads, referred by others or which were the subject of own-initiative investigations by the Integrity Commissioner:</p> <ul style="list-style-type: none"> <li>a. the number of corruption issues notified by agency heads referred by others or dealt with on own-initiative</li> <li>b. a description of the kinds of corrupt conduct to which the corruption issues relate and the number of corruption issues that relate to each kind of corrupt conduct</li> <li>c. the number of the corruption issues in relation to which the Integrity Commissioner decided to take no further action and the Integrity Commissioner's reasons for this decision</li> <li>d. the number of corruption issues for which the law enforcement agency conducted an investigation that is being, or was, managed or overseen by the Integrity Commissioner</li> </ul>		<b>See Appendix 3 – Statistical Reporting</b>

### Overview – assessments performance

Under s 19 of the LEIC Act, the heads of agencies within ACLEI's jurisdiction were required to notify the Integrity Commissioner when they became aware of information about corruption within their agencies. These were called 'notifications'. ACLEI also received information under s 23 of the LEIC Act about potential corruption issues from other sources, including other federal and state government agencies, ministers, individuals within an agency, or members of the public. These were called 'referrals'. At times, ACLEI became aware of a potential corruption issue through other means, including through its own investigations, and assessed whether it should be investigated using the same process as for assessing notifications and referrals. These were called 'own-initiative' matters.

ACLEI assessed all matters according to criteria set out in the LEIC Act to determine whether the matter raised a corruption issue that falls within ACLEI's jurisdiction. The assessment process involves 2 tiers, which are described below.

## PART 3

### Tier 1 assessment

When a matter was referred to ACLEI under s 23 from a member of the public, it went through a Tier 1 assessment to determine whether it fell within ACLEI's jurisdiction.<sup>1</sup> This assessment considered whether:

- » the matter contained an allegation that might relate to corrupt conduct, and
- » involved a staff member of a law enforcement agency within ACLEI's jurisdiction.

If the matter met both of those conditions, it moved on to a Tier 2 assessment. If it did not, it was assessed as being out of jurisdiction and no further action was taken.

### Tier 2 assessment

When a matter moved through to Tier 2 assessment, it went through a more detailed examination of whether the criteria in the LEIC Act applied to the allegation. ACLEI's Assessment team made a recommendation to the decision-maker, through ACLEI's Assessment Board, on whether the criteria for a corruption issue as described in the LEIC Act had been met.

If the matter was assessed as raising a corruption issue, the Integrity Commissioner determined how best to deal with the matter. ACLEI was conscious of the need to ensure its investigations were focused on investigating serious corruption and systemic corruption, as required by s 16 of the LEIC Act.

ACLEI's process for assessment treated notifications, referrals and own-initiative matters in the same way, regardless of their source.

ACLEI's assessment of a matter commenced on the date it was received, and was concluded once it was determined that the matter was out of jurisdiction or, if it raised a corruption issue, the Integrity Commissioner or her delegate decided how to deal with it. If ACLEI sought further information from the agency or person notifying or referring the matter in order to conclude its assessment at any stage of the assessment process, the 'clock' was paused on the assessment until further information was received. This gave a truer sense of the time ACLEI took to assess a matter.

#### Performance measure 2.1

Measure	Target	Result
Number of notifications and referrals of alleged corrupt conduct received by ACLEI	Annual count	<b>469 (100%)</b>

In 2022–23, ACLEI received a total of:

- » 93 notifications
- » 374 referrals from others
- » 2 matters identified as potential own-initiative investigations.

<sup>1</sup> Own-initiative matters, notifications and referrals from government agencies automatically progressed to a Tier 2 assessment.

Table 2 shows the matters received and assessed by ACLEI in 2022–23. Previous year results are shown in brackets for comparison.

**Table 2: Total matters received in 2022–23**

	Notifications	Referrals	Own-initiative	Total
Total matters received	93 (107)	374 (426)	2 (11)	<b>469</b> <b>(544)</b>
Under assessment at 30 June 2023	12	14	0	<b>26</b>
Number of matters assessed as being out of jurisdiction	32 (38)	361 (405)	0 (5)	<b>393</b> <b>(448)</b>
Total number of matters assessed to be corruption issues during the period	57 (61)	17 (4)	2 (5)	<b>76</b> <b>(70)</b>

**Table 3: Total matters received in 2022–23 by quarter**

Quarter 1	Quarter 2	Quarter 3	Quarter 4
157	104	96	112

### Performance measure 2.2

Measure	Target	Result
Number of completed assessments of notifications and referrals	The equivalent of 90% of the number of notifications and referrals received that year	<b>469</b> <b>(100%)</b>

During 2022–23, ACLEI assessed 469 matters (including notifications, referrals and own-initiative matters carried over from the previous period), which equals 100% of the total number of matters received for assessment during the year, exceeding the target of assessing the equivalent of 90% of matters received in the year.

As shown in table 4, of the 494 matters that were available for assessment in 2022–23, 26 matters were under assessment at 1 July 2022. As at 30 June 2023, 26 matters remained under assessment. All of these 26 matters were carried across to the NACC for consideration under the NACC Act.

## PART 3

**Table 4: Total matters available for assessment, including matters received and assessed in 2022–23 and under assessment at 1 July 2022 and 30 June 2023**

	<b>Total</b>
Matters under assessment at 1 July 2022	<b>26</b> <b>(51)</b>
Matters received in 2022–23	<b>469</b> <b>(544)</b>
<b>Total matters available for assessment</b>	<b>495</b> <b>(595)</b>
Matters assessed in 2022–23	<b>469</b> <b>(569)</b>
Matters under assessment at 30 June 2023	<b>26</b> <b>(26)</b>

**Table 5: Results of Tier 1 assessment of referral from members of the public received in 2022–23**

	<b>Received</b>	<b>Assessed as out of jurisdiction</b>	<b>Moved to Tier 2 assessment</b>
<b>Number of matters</b>	347	323	24

In 2022–23, ACLEI received 347 referrals from members of the public from over 10,187 individual contacts. Of these referrals, 24 progressed to Tier 2 assessment.

Section 23 referrals from government agencies and s 19 notifications from agency heads automatically progressed to Tier 2 Assessment, so are not included in the count above for Tier 1 assessments.

**Table 6: Percentage of Tier 2 assessment matters received in 2022–23 by agency**

<b>ACCC</b>	<b>ACIC</b>	<b>AFP</b>	<b>APRA</b>	<b>ASIC</b>	<b>ATO</b>	<b>AUSTRAC</b>	<b>DAFF</b>	<b>Home Affairs</b>	<b>OSI</b>
0.6%	5%	35%	0%	3.5%	3.5%	1%	4%	47%	0%

**Table 7: Matters progressed to Tier 2 Assessment for 2022–23<sup>2</sup>**

Agencies in ACLEI's jurisdiction	Notifications	Referrals	Own-initiative	Total
ACCC	0	1	0	<b>1</b>
ACIC	5	3	0	<b>8</b>
AFP	32	27	1	<b>60</b>
APRA	0	0	0	<b>0</b>
ASIC	2	4	0	<b>6</b>
ATO	0	6	0	<b>6</b>
AUSTRAC	1	1	0	<b>2</b>
DAFF	6	1	0	<b>7</b>
Home Affairs	55	26	1	<b>82</b>
OSI	0	0	0	<b>0</b>

**Performance measure 2.3**

Measure	Target	Result
Percentage of assessments completed by ACLEI within the specified 30 day timeframe	90% of s 19 assessments are completed within 30 business days	<b>91%</b>

ACLEI completed 81 out of 89 assessments of s 19 notifications within the specified 30-day timeframe. All of the own-initiative matters were completed within the 30 business days.

ACLEI also completed 26 out of 27 assessments of s 23 referrals from government agencies within the 60-day timeframe (96%), and 26 out of 28 Tier 2 assessments of s 23 referrals from members of the public within the 90 business day timeframe (92%).

This is a pleasing result, given the focus that ACLEI had put on ensuring that it undertook timely assessments over the previous 2 years. It also reflects the work that ACLEI has done as a result of its first partner agency survey in 2021–22, which noted that timeliness was an issue of concern for partner agencies. It is also useful to note that these timeliness assessment results were achieved at the same time that the responsible teams were working on 2 particular NACC implementation projects, to establish a new intake and triage team and to build an assessment process fit for purpose for the NACC.

<sup>2</sup> Includes matters carried over for assessment from the previous financial year.

## PART 3

### Key Activity 3: Investigations

**Table 8: Investigation-related performance metrics**

Source of metric	2022–23 PBS p75, 2022–26 Corporate Plan p33, LEIC Act sub-para 201(a)(iv) LEIC Regulations		Results at a glance
Measures	3.1	Number of investigations commenced	<b>12</b>
	3.2	Number of investigations finalised, either through being completed, discontinued or reconsidered	<b>50 (417%)</b>
	3.3	Average duration of finalised investigations (days)	<b>1,340</b>
	3.4	Percentage of briefs of evidence where a charge is recommended after assessment by the CDPP	<b>100%</b>
	3.5	Number of reports under section 54 of the LEIC Act completed	<b>22</b>
Related reporting requirements under the LEIC Act and LEIC Regulations	In relation to corruption issues investigated by the Integrity Commissioner for each agency: <ol style="list-style-type: none"> <li>the number of corruption issues investigated</li> <li>a description of the kinds of corrupt conduct to which the corruption issues relate and the number of the corruption issues that relate to each kind of corrupt conduct</li> <li>the number of the corruption issues which investigations by the Integrity Commissioner were completed</li> <li>for the investigations that were completed – a summary of the outcomes of the investigations, including the following:               <ol style="list-style-type: none"> <li>any recommendations made by the Integrity Commissioner</li> <li>any action taken as a result of the investigations</li> <li>if any disciplinary proceedings, criminal proceedings or civil penalty proceedings resulting from the investigations were commenced – the outcomes of the proceedings</li> </ol> </li> </ol>		<b>See Appendix 3 – Statistical Reporting</b>

### Overview – investigations performance

In the final year of ACLEI’s operations, it had a particular focus on its investigation performance to enable ACLEI to end well. As a result, in 2022–23:

- » ACLEI finalised investigations into 50 corruption issues.
- » ACLEI referred 6 briefs of evidence to the CDPP for assessment. In all 3 cases reviewed, a charge was recommended; 3 briefs are still currently under review.
- » Three prosecutions before the courts were concluded and 3 defendants were convicted.

#### Performance measure 3.1

Measure	Target	Result
Number of investigations commenced	Annual count	<b>12</b>

In 2022–23, ACLEI commenced investigations into 12 corruption issues. For this measure, ‘ACLEI investigations’ included those carried out by ACLEI alone or jointly with another agency. In 2022–23 there were no ACLEI-only investigations commenced.

The Integrity Commissioner was required to give priority to the investigation of serious corruption and systemic corruption under s 16 and subs 27(f) of the LEIC Act. Serious corruption meant corrupt conduct that could result in the staff member of a law enforcement agency being charged with an offence punishable, on conviction, by a term of imprisonment for 12 months or more. Systemic corruption was corrupt conduct that revealed a pattern of corrupt conduct in a law enforcement agency or agencies. This process of prioritisation was at the core of ACLEI’s assessment process and directly influenced which matters and how many matters were dealt with as ACLEI-led or joint investigations, and which matters were referred to other agencies to investigate alone.

The lower number of ACLEI investigations commenced in 2022–23 (compared to 43 investigations in 2021–22) reflects the decision to ensure that the investigations that were commenced in 2022–23 could be completed in 2022–23, or where appropriate, transferred into the National Anti-Corruption Commission.

In 2022–23, ACLEI commenced joint investigations relating to staff members of ACIC, AFP and Home Affairs. No investigations were commenced relating to staff members of ACCC, APRA, ASIC, ATO, AUSTRAC, DAFF and OSI.

**Table 9: ACLEI joint investigations commenced in 2022–23, by agency**

	ACIC	AFP	Home Affairs	ATO	DAFF	Total
Investigations commenced	1 (2)	5 (4)	6 (31)	0 (5)	0 (1)	<b>12</b> <b>(43)</b>

**Table 10: Open corruption issues being dealt with by ACLEI during 2022–23 by agency – 3-year comparison**

Agencies in ACLEI’s jurisdiction	2020–21	2021–22	2022–23
ACCC	0	0	0
ACIC	8	9	10
AFP	30	23	19
APRA	0	0	0
ASIC	0	0	0
ATO	1	6	5
AUSTRAC	0	0	0
DAFF	6	4	3
Home Affairs	63	62	50
OSI	0	0	0
<b>Total corruption issues open across the year</b>	<b>108</b>	<b>104</b>	<b>87</b>

## PART 3

### Performance measure 3.2

Measure	Target	Result
Number of investigations finalised, either through being completed, discontinued or reconsidered	The equivalent of 80% of the number of investigations commenced that year	<b>50 (417%)</b>

This measure allowed ACLEI to actively monitor its investigative capacity, and prevent backlogs of investigations occurring. To achieve its target for this measure, the ACLEI Operations Board considered the capacity of the investigation teams to take on more investigative work. The General Manager of Operations Branch also conducted regular reviews to ensure ACLEI investigations were targeted and timely.

**Table 11: ACLEI investigations (including joint) finalised (either completed or reconsidered) in 2022–23**

	Number of corruption issues
Investigations completed – decision made to prepare a report (s 54)	20 (27)
ACLEI investigation discontinued after reconsideration (s 42(3))	30 (19)
Not a staff member of a law enforcement agency as defined by the LEIC Act	0 (0)
<b>Total</b>	<b>50 (46)</b>

In 2022–23, 12 investigations were commenced (performance measure 3.1), which means that ACLEI completed the equivalent of 417% of the number of investigations commenced, exceeding its target of 80% and the 2021–22 result of 107%.

This increase was due to ACLEI making a conscious effort to review all investigations ahead of the NACC commencement on 1 July 2023. A case prioritisation model was implemented in Quarter 2 to assist with this review process and to form the basis for making recommendations to the National Anti-Corruption Commissioner about which ongoing investigations should be transferred to the National Anti-Corruption Commission either as investigations under the NACC Act or as investigations under the LEIC Act.

Once ACLEI had completed its investigation into a corruption issue, the Integrity Commissioner was required to prepare a report on the investigation under s 54 of the LEIC Act. An investigation was considered 'complete' when all realistic avenues of inquiry by ACLEI had been pursued. However, the Integrity Commissioner could also finalise investigations through reconsidering how to deal with a corruption issue and deciding to take no further action.

In 2022–23, the Integrity Commissioner determined that the investigation of 20 corruption issues had been completed and decided to prepare a report under s 54 of the LEIC Act.

The Integrity Commissioner could decide to take no further action under s 42(3) where:

- » the issue was already being or will be investigated by another agency,
- » the referral was frivolous or vexatious,
- » the corrupt conduct was or would become the subject of proceedings before court, or
- » further investigation of the corruption issue was not warranted having regard to all the circumstances, for example where there was insufficient evidence or where, following preliminary investigations, it became apparent that the relevant conduct was not undertaken by a person within ACLEI's jurisdiction.

The Integrity Commissioner's ability to reconsider how to deal with a corruption issue, under s 42 of the LEIC Act, was an important mechanism for ACLEI to effectively and actively manage the use of its resources. Reconsideration may have resulted in an ACLEI investigation becoming an agency-led investigation (or vice versa) or, in appropriate circumstances, the investigation being discontinued.

In 2022–23, the Integrity Commissioner reconsidered 30 corruption issues being investigated by ACLEI, including joint investigations. In each of these matters, the Integrity Commissioner decided to take no further action in relation to the allegation.

Feedback was provided to relevant agencies when investigations were discontinued, to ensure the agency was aware of the steps taken as part of the investigation and any issues were identified.

### Performance measure 3.3

Measure	Target	Result
Average duration of finalised investigations (days)	508 (FY 2022 results)	<b>1,340</b>

This was a performance measure of operational efficiency that was suggested by the Australian National Audit Office (ANAO) in its performance report *Operational Efficiency of the Australian Commission for Law Enforcement Integrity* (Auditor-General Report No.4 of 2018–19). It allowed ACLEI to measure its efficiency over time in completing its investigations.

The average duration of investigations finalised in 2022–23 was 1,340 days. This was an increase from last year's result of 508 days. Five of the investigations closed during the period were over 2,000 days old, contributing significantly to the increase. Without the closure of these 5 protracted investigations, the average number would have been 932. While still higher than the previous year, this reflects ACLEI's focus on closing historic matters prior to the establishment of the NACC.

## PART 3

### Performance measure 3.4

Measure	Target	Result
Percentage of briefs of evidence where a charge is recommended after assessment by the CDPP	75%	<b>100%</b>

This was a performance measure of operational efficiency that was suggested by the ANAO in its performance report *Operational Efficiency of the Australian Commission for Law Enforcement Integrity* (Auditor-General Report No.4 of 2018–19). It allowed ACLEI to measure its efficiency in referring briefs of evidence as required by s 142 of the LEIC Act over time.

In 2022–23, this performance measure was amended to focus on the quality of ACLEI’s work rather than actions taken by the CDPP. ACLEI referred 6 briefs of evidence to the CDPP for assessment. In all 3 cases so far reviewed, a charge was recommended (noting that 3 briefs are still under review). This illustrates the quality of the briefs prepared by ACLEI.

### Performance measure 3.5

Measure	Target	Result
Number of reports under section 54 of the LEIC Act completed	Annual count	<b>22</b>

In 2022–23, 22 investigation reports in relation to 31 corruption issues were provided to the Attorney-General. Of these, 11 reports were published on the ACLEI website.

Providing transparency of corruption issues and ACLEI’s operations and decisions, ACLEI ensured that all processes and outcomes of investigation were completed, including any referrals for prosecutions, administrative sanctions and sentencing, before the s 54 report was finalised.

These processes could be protracted and could cause there to be a lengthy period between the completion of ACLEI’s investigative activities and the submission of the final report to the Attorney-General. Prior to the completion of an investigation, the Integrity Commissioner provided procedural fairness to any person or government agency in relation to whom the Integrity Commissioner intended to include an opinion or finding that was critical (as required under s 51 of the LEIC Act).

The Integrity Commissioner could also decide to report publicly on an ACLEI investigation, as both a general deterrence mechanism and to provide the public with visibility of ACLEI’s actions to investigate corruption in Commonwealth law enforcement agencies. Before publication, the Integrity Commissioner would again provide procedural fairness to any person or government agency in relation to whom the Integrity Commissioner intended to include an opinion or finding that was critical (as required under s 210 of the LEIC Act).

## Key Activity 4: Supporting partner agency investigations

**Table 12: Supporting partner agency investigations related performance metrics**

Source of metric	2022–23 PBS p76, 2022–26 Corporate Plan p34, LEIC Act sub-para 201(a)(iv) LEIC Regulations		Results at a glance
Measures	4.1	Number of investigations referred to partner agencies for investigation	<b>31</b>
	4.2	Percentage of reviews of section 66 reports completed within 30 days or the agreed timeframe as negotiated between the Integrity Commissioner and the relevant jurisdiction agency	<b>94%</b>
Related reporting requirements under the LEIC Act and LEIC Regulations	In relation to corruption issues referred by the Integrity Commissioner to a government agency for investigation, for each agency: <ul style="list-style-type: none"> <li>a. the number of corruption issues referred</li> <li>b. a description of the kinds of corrupt conduct to which the corruption issues relate and the number of corruption issues that relate to each kind of corrupt conduct</li> <li>c. the number of corruption issues where the Integrity Commissioner was managing or overseeing the investigation</li> <li>d. the number of corruption issues for which investigations by a government agency were completed</li> </ul>		<b>See Appendix 3 – Statistical Reporting</b>

### Overview – support to partner agency investigations

In 2022–23, ACLEI supported agencies through joint investigations, agency-led investigations and by sharing corruption prevention information. The supporting partner agency measures relate specifically to ACLEI's role in supporting agencies in investigations that were referred back to the agency within its jurisdiction for investigation.

Upon completion of these investigations, the agency was required to provide the Integrity Commissioner with a report under s 66(3) of the LEIC Act. An agency was not required to submit a report if the Integrity Commissioner had reconsidered or discontinued the investigation.

The Integrity Commissioner could make recommendations or comments in relation to an agency's investigation report. To consider whether to do so, ACLEI reviewed these reports and provided advice to the Integrity Commissioner. ACLEI also provided information to agencies at an investigation level, including identifying any relevant trends or vulnerabilities. These reports provided under s 66(3) of the LEIC Act were also used to inform ACLEI's corruption prevention work more broadly.

## PART 3

### Performance measure 4.1

Measure	Target	Result
Number of investigations referred to partner agencies for investigation (broken down by referred, referred with oversight and referred with management)	Annual count	<b>31</b>

The majority of matters were referred back to partner agencies for their own investigation without management or oversight.

**Table 13: Investigations referred to LEIC Act agencies for investigation in 2022–23 by agency**

Agencies in ACLEI's jurisdiction	Referred with management s 26(1)(b)(i)	Referred with oversight s 26(1)(b)(ii)	Referred unsupervised s 26(1)(b)(iii)	Total
ACCC	0 N/A	0 N/A	0 N/A	<b>0</b> <b>N/A</b>
ACIC	0 (0)	2 (0)	1 (0)	<b>3</b> <b>(1)</b>
AFP	0 (0)	0 (0)	11 (8)	<b>11</b> <b>(8)</b>
APRA	0 N/A	0 N/A	0 N/A	<b>0</b> <b>N/A</b>
ASIC	0 (0)	0 (0)	0 (0)	<b>0</b> <b>(0)</b>
ATO	0 (0)	0 (0)	0 (3)	<b>0</b> <b>(3)</b>
AUSTRAC	0 (0)	0 (0)	1 (0)	<b>1</b> <b>(0)</b>
DAFF	0 (0)	0 (0)	1 (1)	<b>1</b> <b>(1)</b>
Home Affairs	0 (0)	0 (0)	12 (17)	<b>15</b> <b>(17)</b>
OSI	0 N/A	0 N/A	0 N/A	<b>0</b> <b>N/A</b>

## Performance measure 4.2

Measure	Target	Result
Percentage of reviews of section 66 reports completed within 30 days or the agreed timeframe as negotiated between the Integrity Commissioner and the relevant jurisdiction agency	80%	<b>94%</b>

The greatest number of s 66 reports were received in Quarter 4, which may be attributable to agencies seeking to provide their reports to ACLEI before the commencement of the NACC.

Throughout the year ACLEI made a concerted effort to ensure agencies were managing their workloads and finalising investigations in a timely manner.

Fifty-five reports were received from agencies in the financial year and findings were made by the jurisdictional agency in 9 of these reports. This amounts to 16% of reports that ACLEI received. Although no recommendations were made in regard to the reports provided to ACLEI in the financial year, the Integrity Commissioner provided a comment under s 67 of the LEIC Act in regard to an investigation completed by the AFP.

There were a range of issues investigated in these reports, including unauthorised use and disclosure of information and the supply of illicit substances, particularly in relation to immigration detention centres.

**Table 14: Reports received from agencies in ACLEI's jurisdiction**

Agencies in ACLEI's jurisdiction	Number of reports received under s 66 of the LEIC Act	Median time to finalise investigation
ACIC	1	1,563 days
AFP	11	791 days
ATO	2	481 days
AUSTRAC	1	212 days
DAFF	4	1,311 days
Home Affairs	36	946 days
<b>Total</b>	<b>55</b>	<b>956 days</b>

## PART 3

### Key Activity 5: Prevention

**Table 15: Prevention-related performance metrics**

Source of metric	2022–23 PBS pp76–77, 2022–26 Corporate Plan p35		Results at a glance
Measures	5.1	Corruption prevention engagement with ACLEI partner agencies designed to address identified risks and vulnerabilities	<b>23</b>
	5.2	Commonwealth Corruption Prevention Community of Practice meetings	<b>3</b>
	5.3	Number of corruption prevention products produced	<b>17</b>
	5.4	Number of submissions made to, and appearances before, parliamentary committee processes	<b>9</b>
Related reporting requirements under the LEIC Act and LEIC Regulations	For investigations completed by the Integrity Commissioner – a summary of outcomes of the investigations: <ul style="list-style-type: none"> <li>a. any recommendations made by the Integrity Commissioner</li> <li>b. any action taken as a result of the investigations</li> <li>c. the outcomes of any disciplinary proceedings from the investigations</li> <li>d. a description of any which raise significant issues or developments in law enforcement</li> <li>e. a description of any patterns or trends of corruption in law enforcement agencies or other Commonwealth government agencies that have law enforcement functions</li> </ul>		<b>See below and pp24–31 (investigation reports under s 54 of the LEIC Act)</b>

### Overview – corruption prevention performance

ACLEI has previously engaged with its partner agencies to prevent and address corruption risks and strengthen agency integrity frameworks. In the later part of 2022–23, individualised engagement with jurisdictional agencies was scaled back in preparation for the NACC transition.

#### Performance measure 5.1

Measure	Target	Result
Corruption prevention engagement with ACLEI partner agencies designed to address identified risks and vulnerabilities	Annual count (2022–23 to set baseline for comparison purposes)	<b>23</b> <b>(30)</b>

Multiple presentations were provided on the Integrity Maturity Framework, including to jurisdictional agencies, the G20, the Integrity Agencies Group, and the Association of Southeast Asian Nations.

Other highlights during the year included a bilateral meeting with the Indonesian Corruption Eradication Commission, sessions delivered at the Australian Public Sector Anti-Corruption Conference (APSACC) and at the UN Global Compact, a tailored session for the Pacific Islands delegation who attended APSACC, and activities delivered over International Fraud Awareness Week.

In quarters 3 and 4, individualised engagement with jurisdictional agencies was scaled back in preparation for the transition to the NACC, and engagement activities were refocused on this preparation rather than bespoke corruption prevention activities.

### Performance measure 5.2

Measure	Target	Result
Commonwealth Corruption Prevention Community of Practice meetings	4 meetings conducted annually	<b>3</b>

The fourth community of practice meeting was not convened in line with the decision to focus on transition to the NACC, and scoping work on future engagement approaches in the significantly expanded NACC jurisdiction.

Topics covered in community of practice meetings included Senior Executive Service (SES) integrity. The Corruption Prevention teams published a series of prevention materials on this topic on the ACLEI website. A presentation was also delivered with the Australian Public Service Commission (APSC) on their SES Integrity Masterclass Series, the role of the APS Commissioner in suspected breaches of the Code of Conduct by SES employees (Commissioner's Directions 2022, s 64) and their Integrity Metrics Resource.

Topics discussed at other community of practice meetings included updates on changes to the Fraud Rule, the new Department of the Prime Minister and Cabinet Integrity Project initiative, Operation Tardis and the Commonwealth Integrity Maturity Framework.

### Performance measure 5.3

Measure	Target	Result
Number of corruption prevention products produced	Annual count	<b>17</b>

While ACLEI continued to produce corruption materials that were relevant to existing jurisdictional agencies, the focus was on re-purposing ACLEI products in preparation for the NACC and collaborating with the Attorney-General's Department on content for their suite of NACC transition products targeted at jurisdiction agencies.

## PART 3

### Performance measure 5.4

Measure	Target	Result
Number of submissions made to, and appearances before, parliamentary committee processes	Annual count	<b>8</b>

In the 2022–23 financial year ACLEI made 2 submissions and appeared on 6 occasions before parliamentary committees, including Senate Estimates and the Parliamentary Joint Committee on ACLEI.

Submissions were made to the Joint Select Committee on National Anti-Corruption Commission Legislation and to the inquiry made by the Parliamentary Joint Committee on Intelligence and Security into the Review of Item 250 of the National Anti-Corruption Commission (Consequential and Transitional Provisions) Bill 2022.

# Commonwealth Integrity Maturity Framework

On 9 December 2022, International Anti-Corruption Day, Integrity Commissioner Jaala Hinchcliffe launched the Commonwealth Integrity Maturity Framework.

The Integrity Maturity Project was developed by the Corruption Prevention and Education team. Undertaken with extensive consultation to ensure it accurately represents the Commonwealth integrity landscape, it was designed to help Commonwealth entities assess and plan to improve their integrity maturity.

The Commonwealth Integrity Maturity Framework (the Framework) provides accessible information to support the design, implementation and review of the effectiveness of integrity frameworks so that they are tailored to the risk profiles, sizes and contexts of particular entities.

It features 8 integrity principles that were derived from key Commonwealth integrity laws, policies and procedures. Each principle summarises the corresponding governance obligations and controls, providing an accessible guide for Commonwealth entities.

The Framework provides a 4-level maturity scale, including an overarching maturity index to describe each level. Level 1 is least mature, and Level 4 is the most mature, with maturity indicators provided for each of the 8 integrity principles. Each level of maturity builds on the previous level, ensuring Commonwealth entities can use it to create a structured and sustainable model to advance their integrity functions and activities.

The Framework provides guidance to Commonwealth entities to undertake a self-assessment of their integrity maturity, by interpreting and applying the most appropriate indicators and indices. Speaking at the launch of the Framework, the Integrity Commissioner said:

*My hope is that the Commonwealth Integrity Maturity Framework will assist agencies within my jurisdiction to review and continuously improve their integrity frameworks. The design of the Framework enables it to be readily used by all Commonwealth entities and so I have decided to publish the Framework widely to support public sector entities to assess and plan to upscale their integrity systems to prepare for the commencement of the National Anti-Corruption Commission (NACC) and the introduction of other integrity reforms across the Commonwealth.*

The Framework also included a report describing the roles of the Commonwealth integrity agencies and the wide range of integrity-related laws, policies and procedures that govern the actions of Commonwealth officials and entities. Titled *Towards Integrity Maturity: Mapping the Commonwealth integrity landscape*, it provides a reference for Commonwealth entities to understand the various aspects of the Commonwealth integrity landscape.

# PART FOUR

## Corporate governance, management and accountability

## Corporate governance

### Governance architecture

The governance framework that applies to ACLEI as a non-corporate government entity is described in the PGPA Rule.

ACLEI’s governance architecture was designed to support the Integrity Commissioner and senior executive to discharge their obligations relating to the management of the agency. During 2022–23, the Integrity Commissioner further refined ACLEI’s governance arrangements, including revising the terms of reference of the Assessments Board and establishing the ICT Steering Committee.

Figure 3 below shows ACLEI’s governance architecture in 2022–23.

**Figure 3: ACLEI’s governance architecture in 2022–23**

Integrity Commissioner							
<i>Law Enforcement Integrity Commissioner Act 2006</i>							
<i>Public Governance, Performance and Accountability Act 2013</i>							
						<i>Work Health and Safety Act 2011</i>	
Assessments Board	Operations Board	Internal Governance Board	ICT Steering Committee	Human Source Management Committee	Audit Committee	WHS Committee	Consultative Committee
Supported the Integrity Commissioner to fulfil statutory obligations in deciding how to deal with information that may raise a corruption issue and identify ongoing and emerging corruption risks.	Supported the Integrity Commissioner to make strategic decisions in relation to operational matters, including resourcing of investigations, identification of corruption vulnerabilities and approval of corruption prevention, intelligence and detection activities.	Supported the Integrity Commissioner and the Executive to fulfil statutory obligations relating to the management of the agency.	Provided ICT governance including ICT accountability and performance, identification and achievement of strategic objectives, and establishing oversight to support compliance with legislative and regulatory obligations.	Ensured human source activities were appropriate and effectively supported operational outcomes, also provided oversight to ensure activity conforms to standard operating procedures.	Provided independent advice and assurance to the Integrity Commissioner of ACLEI’s accountability and control framework.	Addressed WHS issues that affected employees directly, such as hazards in the workplace, new inspection procedures and WHS requirements, as well as reviewing and updating ACLEI’s policies and strategies to help eliminate work-related illness and injury.	ACLEI’s peak employee consultation body, this forum allowed ACLEI to engage and consult with staff in relation to matters that affect them and the organisation more broadly.

## Audit Committee

The ACLEI Audit Committee was established in accordance with s 45 of the PGPA Act and s 17 of the PGPA Rule. The Audit Committee's Charter can be found online at <https://www.nacc.gov.au/australian-commission-law-enforcement-integrity>. In 2022–23, the Audit Committee met 5 times. The Audit Committee membership, their attendance at meetings, and their skills, knowledge and experience through 2022–23 were as outlined in Table 16.

**Table 16: 2022–23 Audit Committee membership**

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended/ total number of meetings	Total remuneration (GST inc.)	Additional information
Ms Angela Diamond	Chief Financial Officer, Services Australia  Bachelor of Commerce  Certified Practising Accountant  Oxford Advanced Management and Leadership Programme	4/5	\$0	Committee Chair  Member since December 2018
Ms Myra Croke PSM	Formerly Chief Operating Officer, Department of Parliamentary Services  Formerly Acting First Assistant Secretary, Ministerial Support Division, Department of the Prime Minister and Cabinet  Public Service Medal: Awarded for outstanding public service in establishing and managing the secretariat for the National Security Committee of Cabinet (Australia Day Honours, January 2010)  Bachelor of Science, Australian National University  Graduate Diploma in Public Law, Australian National University	5/5	\$20,000	Member since February 2021
Mr John Lenarduzzi	National Director, MSS Operations, CyberCX  Formerly Assistant Director-General, Australian Signals Directorate  Masters of Business Administration	5/5	\$20,000	Member since June 2017

## PART 4

### Internal audit

In 2022–23 ACLEI’s strategic internal audit program (SIAP) continued to be reviewed to allow a strategic and flexible approach to address any emerging risks and changing priorities.

In 2022–23 ACLEI finalised 5 internal audits, which considered:

- » Management of Key Person Risk, Contingency Planning and Capacity
- » Implementation of the Case Management System (Pre-Implementation Review)
- » Follow up *Telecommunications (Interception and Access) Act 1979* Authorisation Recordkeeping
- » Implementation of the Financial Management System (Pre-Implementation Review)
- » Implementation of the National Anti-Corruption Commission (Pre-Implementation Review).

In consultation with the Audit Committee, ACLEI continually sought to strengthen the SIAP to respond to the changing risk profile as we expanded and prepared for the implementation of the NACC.

### Integrity and professional standards

An increasing government focus on and community expectation of integrity standards across the Commonwealth placed even greater importance on ACLEI’s role overseeing integrity in Commonwealth law enforcement agencies. ACLEI’s own standing and reputation as an integral part of this agenda relied on ACLEI itself upholding the highest standards of integrity in all that it did, including how it dealt with allegations of corrupt conduct.

ACLEI maintained existing practices aligned to its comprehensive integrity policy framework that applied to all staff, other agency secondees, and the executive team including the Integrity Commissioner. Throughout 2022–23, ACLEI continued to mature its approach to reflect contemporary best practice and requirements. This included improved procedural integrity with the revised Australian Government Investigation Standards released in October 2022, and Commonwealth Risk Management Policy in January 2023.

ACLEI’s leadership played an active role supporting the framework through clear communication of values and expected integrity standards, so staff had a clear understanding and could apply it to their duties. In addition to ongoing face-to-face training and information sessions delivered throughout 2022–23, new staff completed mandatory integrity training on induction, with existing staff completing ACLEI’s annual Corporate Compliance Training Program.

Key risks identified in ACLEI’s 2020–21 Fraud and Corruption Risk Register review were managed by a dedicated in-house risk specialist, with treatments to strengthen controls around these risks monitored and reported on monthly to ACLEI’s Internal Governance Board. Work to align ACLEI’s security and integrity frameworks remained a priority through 2022–23, including opportunities to streamline management of like risks with similar causal drivers.

Certification relating to ACLEI’s fraud control arrangements appears in the statement on page 42 of this annual report.

ACLEI’s integrity framework is shown in Figure 4 below.

Figure 4: ACLEI's integrity framework

<b>ACLEI integrity policy framework</b>	<b>Integrity risk reporting and management policies</b>
	Fraud and corruption control
	Notifying ACLEI corruption issues
	Making a public interest disclosure
	Declarable associations and contact reporting
	Private interest declarations
	Secondary employment
	Gifts and benefits
	Personal use of social media
	<b>Performance, governance and accountability measures</b>
	Integrity, security and fraud control training
	Strong internal governance
	Regular integrity discussions

## External assurance

### Parliamentary Joint Committee on ACLEI

The PJC-ACLEI was established under the LEIC Act to report to both Houses of Parliament on matters relating to ACLEI. The PJC-ACLEI monitored and reviewed the performance of the Integrity Commissioner's functions, examined each annual report and any special reports produced by the Integrity Commissioner, and examined trends and changes in law enforcement related corruption. This external scrutiny provided ACLEI with a valuable external view of each year's efforts and achievements and a basis to inform improvements to its work. During the year, the Integrity Commissioner and other staff appeared 3 times before the Committee in public and private hearings.

### Examination of the Integrity Commissioner's 2021–22 annual report

On 8 February 2023, the PJC-ACLEI held its public hearing into the Integrity Commissioner's 2021–22 annual report. During the hearing, Committee members asked questions about transitional arrangements to the NACC, and ACLEI's involvement in investigations undertaken by partner agencies. The Committee tabled its report in Parliament in March 2023.

## PART 4

The Committee concluded:

*The committee is satisfied that ACLEI performed well against its performance framework in 2021–22, achieving most of its performance targets. The committee appreciates the work undertaken to complete the expansion in 2021 to bring five new agencies into ACLEI’s jurisdiction. The committee also notes the first prosecution of a former staff member of the ATO through the Operation Barker investigation.*

### Safeguards for ACLEI’s use of statutory powers

A range of checks and balances were in place to ensure ACLEI used its investigative powers within the law and was accountable for doing so. Some safeguards were administered by the Integrity Commissioner as head of ACLEI and others took the form of external authorisation, scrutiny or statutory reporting requirements. In combination, these processes provided assurance to Parliament and the public that ACLEI used its investigative powers lawfully and proportionately.

Table 17 provides an overview of the results of external scrutiny in 2022–23 of ACLEI’s use of statutory powers.

**Table 17: Results of external scrutiny in 2022–23 of ACLEI’s use of statutory powers**

Description	Outcomes for 2022–23
<p>Commonwealth Ombudsman – inspection of records and practices</p> <ul style="list-style-type: none"> <li>» <i>Surveillance Devices Act 2004</i></li> <li>» <i>Telecommunications (Interception and Access) Act 1979</i></li> <li>» Part IAB of the <i>Crimes Act 1914</i> (Cth) (controlled operations)</li> </ul>	<p>The Commonwealth Ombudsman conducted routine inspections under the <i>Telecommunications (Interception and Access) Act 1979</i> (TIA Act), the <i>Surveillance Devices Act 2004</i> (SD Act) and the <i>Crimes Act</i> during the period. A number of recommendations and better practice suggestions were made in relation to ACLEI’s processes and procedures which ACLEI continued to address through revision and refinement of standard operating procedures, associated templates and guidance documents to ensure transparency, accountability and compliance with legislative obligations.</p>
<p>Commonwealth Ombudsman – complaints and own-motion investigations</p>	<p>The Ombudsman did not make any other reports on the operations of ACLEI during the reporting period.</p>
<p>Integrity Commissioner’s annual reports on significant powers</p> <ul style="list-style-type: none"> <li>» <i>Surveillance Devices Act 2004</i></li> <li>» <i>Telecommunications (Interception and Access) Act 1979</i></li> <li>» Part IAB of the <i>Crimes Act 1914</i> (Cth) (assumed identities)</li> <li>» Part IACA of the <i>Crimes Act 1914</i> (Cth) (witness identity protection certificates)</li> </ul>	<p>The Integrity Commissioner’s annual reports on ACLEI’s use of assumed identities and witness identity protection certificates during 2022–23 are at Appendices 1 and 2 respectively. The Integrity Commissioner also reported annually (and in the case of controlled operations every 6 months) to the Attorney-General and the Commonwealth Ombudsman. The Attorney-General tabled ACLEI’s annual report for controlled operations. Information from ACLEI’s annual reports under the TIA Act and the SD Act are included in an annual report prepared by the Attorney-General’s Department.</p>

## Auditor-General

The Auditor-General did not undertake any performance audits relating to ACLEI during the reporting period. ACLEI's audited financial statements for 2022–23 are presented in Part 5 of this annual report.

## Other external assurance

There were no judicial or administrative tribunal reviews of an ACLEI decision or action in the reporting period. ACLEI did not receive any reports by the Australian Information Commissioner in the reporting period. Appendix 5 – Developments in ACLEI's operating environment – details cases during 2022–23 that had relevance for ACLEI.

## People

ACLEI's workforce experienced rapid growth over its last 12 months as the agency prepared for the commencement on 1 July 2023 of the National Anti-Corruption Commission. A new organisational structure was introduced in May 2023, to support the commencement of the NACC.

With the expectation the NACC would employ approximately 260 employees by 2024, a recruitment strategy was developed to support the NACC implementation roadmap. The strategy focused on developing a structure for the new agency that is fit for purpose; understanding capability requirements within the new agency and developing roles and responsibilities accordingly; and recruiting and onboarding suitably qualified applicants to vacant roles within an appropriate timeframe.

As part of the NACC implementation work, it was agreed between ACLEI and the Attorney-General's Department that ACLEI would grow up to approximately 160 staff by 30 June 2023. This was supported by an additional 23 average staffing level (ASL) in the 2022–23 federal budget. To assist in managing the increase in recruitment activity, ACLEI engaged an external recruitment advisor to provide the recruitment campaign. As at 30 June 2023, ACLEI had 154 staff within the organisation, with other positions being onboarded. This ensured that the NACC was in a good position to commence operations on 1 July 2023.

ACLEI engaged seconded employees from partnering law enforcement agencies such as the AFP and the NSW Police Force to assist in day-to-day operations. These staff brought experience and skills that helped mature the capability of ACLEI staff, and increased engagement between the agencies.

## Staffing profile and remuneration

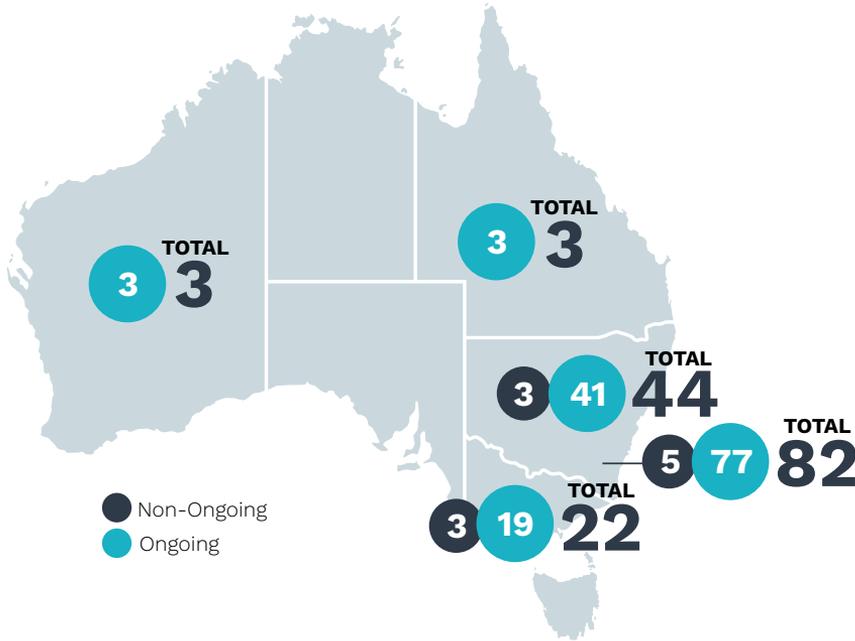
For 2022–23 ACLEI had a budgeted ASL of 133, with its actual ASL being 122. At 30 June 2023, ACLEI had a headcount of 154 staff including the Integrity Commissioner, ongoing, non-ongoing, casual, and 4 seconded employees.

One staff member identified as Aboriginal or Torres Strait Islander in 2022–23.

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Figure 5 and Table 18 provide an overview of ACLEI’s staffing profile in 2022–23 compared to the last reporting period. Further detailed staffing statistics are at Appendix 6 – Staffing information.

**Figure 5: ACLEI staffing profile 2022–23 by location**



**Table 18: Overview of ACLEI’s staffing profile at 30 June 2023 and 30 June 2022**

Category	At 30 June 2023			At 30 June 2022		
	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
APS classification (salary range 2021–22)						
APS 3 (\$61,040–\$65,880)	0	0	<b>0</b>	1	0	<b>1</b>
APS 4 (\$68,028–\$73,866)	17	0	<b>17</b>	7	2	<b>9</b>
APS 5 (\$75,879–\$80,460)	10	3	<b>13</b>	8	1	<b>9</b>
APS 6 (\$81,950–\$97,414)	34	2	<b>36</b>	31	0	<b>31</b>
Executive Level 1 (\$104,527–\$127,577)	55	4	<b>59</b>	32	0	<b>32</b>
Executive Level 2 (\$128,500–\$156,346)	19	1	<b>20</b>	13	1	<b>14</b>
SES Band 1 (\$200,904–\$221,548)	6	0	<b>6</b>	2	0	<b>2</b>
SES Band 2 (\$250,000–\$275,000)	1	0	<b>1</b>	0	0	<b>0</b>
Integrity Commissioner (statutory appointment)	1	0	<b>1</b>	1	0	<b>1</b>

Category	At 30 June 2023			At 30 June 2022		
	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
APS classification (salary range 2021–22)						
<b>Total</b>	143	11	<b>154</b>	95	4	<b>99</b>

## Workplace agreements and conditions during 2022–23

**Table 19: ACLEI workplace agreements and conditions (2022–23)**

Title	Description
<b>Integrity Commissioner remuneration</b>	The salary and allowances of the Integrity Commissioner were determined by the Remuneration Tribunal (see <a href="http://www.remtribunal.gov.au">www.remtribunal.gov.au</a> ).
<b>Senior Executive Service (SES) remuneration and agreements</b>	The Integrity Commissioner determines remuneration for SES positions in ACLEI under subs 24(1) of the <i>Public Service Act 1999</i> taking into account experience and qualifications and comparisons with other agencies.
<b>Non-SES workplace agreements</b>	The conditions of the ACLEI Enterprise Agreement 2017–2020 and the Australian Commission for Law Enforcement Integrity (Non-SES Employees) Determination 2020/1 were in operation during the reporting period. All non-SES ACLEI staff were engaged under the Enterprise Agreement.
<b>Service allowance</b>	All non-SES employees received an annual service allowance of \$1,774 (pro-rata for part-time) which acknowledges the special requirements of working at ACLEI. This includes the need for high-level personal security assessments, the intrusion associated with notifying private financial and social interests and the necessity to engage in practices to prevent targeting by unlawful elements.
<b>Non-salary benefits</b>	Under ACLEI's Enterprise Agreement, ACLEI provided a range of non-salary benefits to staff: <ul style="list-style-type: none"> <li>» access to ACLEI's Employee Assistance Program</li> <li>» influenza vaccinations</li> <li>» reimbursement for corrective optical aids</li> <li>» study assistance</li> <li>» conference and study leave</li> <li>» financial assistance for approved health and wellbeing equipment.</li> </ul>
<b>Performance payments</b>	ACLEI did not have a system of performance bonus payments.
<b>Security clearances</b>	Employment at ACLEI was contingent upon maintaining a satisfactory security clearance.

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### Executive remuneration

As set out in Table 20, the Integrity Commissioner and 5 ACLEI SES were key management personnel in 2022-23. ACLEI had no other highly paid staff during the period. No key management personnel received bonuses during the period.

**Table 20: Information about remuneration for key management personnel**

Key management personnel (KMP)							
Name / Position title	Short-term benefits (\$)		Post-employment benefits (\$)	Other long-term benefits (\$)		Termination benefits (\$)	
	Base salary <sup>1</sup>	Other benefits and allowances <sup>2</sup>	Superannuation contributions	Long service leave <sup>3</sup>	Other long-term benefits	Termination <sup>4</sup>	Total remuneration
<b>Jaala Hinchcliffe</b> Integrity Commissioner (1 July 2022 to 30 June 2023)	420,655	4,928	64,082	10,460	-	179,945	680,070
<b>Petra Gartmann</b> Deputy Integrity Commissioner (15 August 2022 to 30 June 2023)	233,467	4,928	42,201	5,342	-	-	285,939
<b>Peter Ratcliffe</b> Executive Director, Operations (Southern) / General Manager Operational Capabilities (1 July 2022 to 30 June 2023)	227,727	4,928	35,414	5,572	-	-	273,641
<b>David Swan</b> Chief Operating Officer (1 July 2022 to 30 April 2023)	159,417	4,104	25,621	3,715	-	-	192,858
<b>Brendan Hough</b> Executive Director, Operations (Northern) / General Manager, Operations (30 August 2022 to 30 June 2023)	181,609	-	26,807	4,139	-	-	212,556

Key management personnel (KMP)							
Name / Position title	Short-term benefits (\$)		Post-employment benefits (\$)	Other long-term benefits (\$)		Termination benefits (\$)	
	Base salary <sup>1</sup>	Other benefits and allowances <sup>2</sup>	Superannuation contributions	Long service leave <sup>3</sup>	Other long-term benefits	Termination <sup>4</sup>	Total remuneration
<b>Sonja Pase</b> General Manager, Executive and Business Support (18 October 2022 to 30 June 2023)	160,765	6,193	26,732	3,820	-	-	197,510

1 Base salary includes leave taken and the movement in annual leave provision—i.e. four weeks accrued annual leave less annual leave taken.

2 Other benefits and allowances includes expenses and associated fringe benefits tax expense—e.g. provision of car parking as part of remuneration package.

3 Long service leave represents the movement in long service leave provision—i.e. nine days accrued per annum less long service leave taken.

4 The termination benefits reflect the cessation of the Australian Commission for Law Enforcement Integrity (ACLEI) with the repeal of the *Law Enforcement Integrity Act 2006* (LEIC Act) and the establishment of the National Anti-Corruption Commission on 1 July 2023. Constituting a 'Loss of Office' [termination] of the Integrity Commissioner.

The 'Loss of Office' compensation was calculated in accordance with provisions in the *Remuneration Tribunal (Compensation for Loss of Office for Office Holders of Certain Public Offices) Determination 2018*.

The calculation also took into account Ms Hinchcliffe taking up a role as an Acting Deputy Commissioner for the National Anti-Corruption Commission.

### Staff performance and development

To build a dynamic and capable workforce, ACLEI focused on different training methods and providing learning opportunities to address the future challenges staff may face. It supported secondment opportunities to other agencies and internal opportunities to learn new roles. ACLEI provided study assistance and development opportunities to all staff.

During 2022–23 ACLEI teams participated in workshops to help improve knowledge of recruitment and selection practices and also to improve knowledge in Commonwealth Government procurement activities. ACLEI employees participated in a range of professional development opportunities tailored to key knowledge requirements and organisational priorities, including specific accreditations in government investigations, accountancy and law.

During 2022–23 the Learnhub learning management system (LMS) was further utilised for staff to provide a range of online learning opportunities. Programs were developed within LMS to facilitate training for new employees, and to meet the agency's ongoing mandatory training requirements.

ACLEI continued to promote flexible work arrangements for its staff members to enhance work-life balance and productivity.

ACLEI's Program for Personal Performance linked individual roles and development goals with organisational needs and provided the mechanism for supervisors to manage staff performance.

### Workplace health and safety

ACLEI was committed to the health and safety of its employees, contractors and visitors. ACLEI was bound by the employer responsibilities in the *Work Health and Safety Act 2011* (WHS Act), the *Safety, Rehabilitation and Compensation Act 1988* and relevant anti-discrimination legislation.

ACLEI's Work Health and Safety Committee (WHSC) was established in September 2021 and met quarterly to raise, discuss and address work health and safety matters. To ensure continuous communication and improvement, the WHSC published minutes of its meetings internally for discussion and review.

ACLEI maintained COVID-19 safe workplaces and continued to encourage COVID-19 safe behaviours. During 2022–23 ACLEI updated its COVID-19 transition plan in line with current public health orders. Staff were encouraged to not attend the office if they were not feeling well and could access flexible work arrangements as required.

There were 3 notifiable incidents and no investigations conducted during the reporting period under Part 10 of the WHS Act. No provisional improvement notices were issued.

During 2022–23 ACLEI provided a number of health and wellbeing initiatives, including:

- » Endorsement of the agency early intervention policy
- » Adoption and promotion of the APSC e-learning module on workplace health and safety
- » Extension of corporate citizen roles to include health and safety representatives, and appointment of additional emergency wardens and first aid officers across the Canberra, Melbourne and Sydney offices

- » Providing staff with workstation ergonomic assessments that were accessible face-to-face and virtually
- » Offering influenza vaccinations to staff with a voucher to use at different pharmacy chains across Australia and onsite skin checks
- » Providing staff with access to a suite of health and wellbeing webinars
- » Offering staff reimbursement for corrective optical aids and financial assistance for approved health and wellbeing equipment
- » Providing managers with Managing for Team Wellbeing workshops and all staff with Mental Health is Everybody's Business. This presentation laid the groundwork for building mental health literacy, reducing stigma, and promoting help-seeking in the workplace
- » Implementing a health and wellbeing hub. The Health and Wellbeing Hub was officially launched on 1 December 2022 and made available to all staff and their families. The hub provided a suite of online resources, including monthly webinars, and was updated monthly.

## National Disability Strategy

The National Disability Strategy is Australia's overarching framework for disability reform, to ensure the principles underpinning the UN Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers.

ACLEI progressed disability reform by advertising all roles with RecruitAbility, through APS Jobs, ensuring accessibility for everyone to participate in selection processes.

All levels of government will continue to be held accountable for the implementation of the strategy through progress reporting to the Australian state, territory and local governments. Progress reports can be found at [www.dss.gov.au](http://www.dss.gov.au). Disability reporting is included in the APSC State of the Service reports and the APS Statistical Bulletin. These reports are available at [www.apsc.gov.au](http://www.apsc.gov.au).

## Purchasing

The Commonwealth Procurement Rules, the Integrity Commissioner's Accountable Authority Instructions, the PGPA Act and the PGPA Rule provided the framework for ACLEI's decisions concerning the purchase of goods and services.

ACLEI's purchasing framework sought to ensure:

- » procurement methods were efficient and cost-effective and took account of ACLEI's security needs, specialised role and size
- » value for money was always the primary guiding principle
- » participation in mandatory whole-of-government coordinated procurement, such as travel, management advisory services, legal services, and property services
- » support for small and medium enterprise (SME) participation

## PART 4

- » use of the Commonwealth Contracting Suite for low-risk procurements valued between \$10,000 and \$200,000 (GST inclusive)
- » timely payment to suppliers including through the use of payment cards when possible and appropriate
- » compliance with the requirements of the Indigenous Procurement Policy.

### Australian National Audit Office access clauses

ACLEI's use of the Commonwealth Contracting Suite ensured all contracts for low-risk procurements valued under \$200,000 included provisions allowing the Auditor-General to have access to contractor premises. In addition, no contracts over \$200,000 were let that did not include the ANAO access clauses.

### Exempt contracts

During 2022–23, no ACLEI contracts or standing offers were exempted from publication in AusTender on the basis that publication would disclose exempt matters under the *Freedom of Information Act 1982* (FOI Act).

### Consultants

During 2022–23, 12 new consultancy contracts were entered into involving total actual expenditure of \$892,581 (including GST). In addition, 3 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$192,340 (including GST).

The decision to engage a consultant was made in accordance with the PGPA Act and PGPA Rule, the Commonwealth Procurement Rules and relevant internal policies, including the Integrity Commissioner's Accountable Authority Instructions.

Consultants were engaged to investigate or diagnose a defined issue or problem, carry out defined reviews or evaluations (such as internal audits), or provide independent advice or information to assist in ACLEI's decision-making.

When deciding to engage a consultant, ACLEI required decision makers to take into account the abilities and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website, [www.tenders.gov.au](http://www.tenders.gov.au).

ACLEI supported small business participation in the Commonwealth Government procurement market. Small and medium enterprises and small enterprise participation statistics are available on the Department of Finance's website, <https://www.finance.gov.au/government/procurement/statistics-australian-government-procurement-contracts>. The ways in which ACLEI's purchasing framework supported small business participation are outlined under Purchasing on page 79. The effect of these practices was apparent in relation to ACLEI's engagement of consultants. Four of ACLEI's top 5 reportable consultancy contracts in 2022–23 were with SMEs. Table 21 shows ACLEI's top 5 consultancies (by value of expenditure) during 2022–23.

**Table 21: Organisations receiving a share of reportable consultancy contract expenditure (2022–23)**

Organisations receiving a share of reportable consultancy contract expenditure 2022–23	Expenditure (\$)	Proportion of 2022–23 total spend (%)
Yardstick Advisory Pty Limited (ABN: 38 158 309 150)	203,808	18.8%
KPMG Australia Pty Limited (ABN: 47 008 644 728)	195,123	18.0%
Axiom Associates (AUST) Pty Ltd (ABN: 98 121 216 662)	164,340	15.1%
TMS Consulting (ABN: 94 730 114 807)	141,271	13.0%
Projects Assured (ABN: 19 906 476 429)	138,166	12.7%
<b>Total of largest shares</b>	<b>842,708</b>	<b>77.6%</b>

## Non-consultancy contracts

During 2022–23, ACLEI entered 26 new non-consultancy contracts involving total actual expenditure in 2022–23 of \$3,246,120 (including GST). In addition, 11 ongoing non-consultancy contracts were active during the period, involving actual expenditure of \$4,580,240 (including GST).

Table 22 shows ACLEI's top 5 non-consultancy contracts (by value of expenditure) during 2022–23.

**Table 22: Organisations receiving a share of reportable non-consultancy contract expenditure (2022–23)**

Organisations receiving a share of reportable consultancy contract expenditure 2022–23	Expenditure (\$)	Proportion of 2022–23 total spend (%)
Ventia Property Pty Ltd (ABN: 16 618 028 676)	2,563,573	32.8%
Centorrino Technologies Pty Ltd (ABN: 83 606 931 524)	1,642,088	21.0%
GPT Funds Management Pty Ltd (ABN: 29 116 099 631)	855,976	10.9%
Technology One Limited (ABN: 84 010 487 180)	531,382	6.8%
Distillery Software (ABN: 69 080 932 467)	515,500	6.6%
<b>Total of largest shares</b>	<b>6,108,519</b>	<b>78.1%</b>

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of non-consultancy contracts is available on the AusTender website, [www.tenders.gov.au](http://www.tenders.gov.au).

## PART 4

# Management of other corporate issues

## Information and communications technology

ACLEI had a shared service arrangement with the Attorney-General's Department relating to ACLEI's information and communications technology and records management requirements.

## Environmental performance

ACLEI endeavoured to recycle, reduce energy consumption, and promote sustainability. Energy-saving technologies (such as motion-sensor lights, on-demand printing and teleconferencing facilities) were incorporated into ACLEI's business practices.

## Advertising campaigns

ACLEI did not conduct any advertising campaigns in 2022–23.

## Freedom of information – Part II of the *Freedom of Information Act 1982*

Each entity subject to the FOI Act is required under Part II of the FOI Act to publish information as part of the Information Publication Scheme (IPS), by displaying on its website a plan showing what information it publishes in accordance with the IPS requirements. ACLEI's IPS can be accessed on the website at <https://www.nacc.gov.au/australian-commission-law-enforcement-integrity>.

## Corrections to the 2021–22 annual report

Page in the 2021–22 report	Issue	Correction
Page iv	The transmittal letter was incorrectly addressed to the 'Senator the Hon Mark Dreyfus KC MP'.	ACLEI regrets this error, noting that it should be "The Hon Mark Dreyfus KC MP".
Page 64	Incorrectly refers to ACLEI receiving 89 investigation reports from partner agencies in 2021–22.	ACLEI received 90 investigation reports from partner agencies in 2021–22. The additional investigation report was from the Department of Home Affairs.
Page 65	Incorrectly refers to the average duration of finalised agency investigations being 852 days.	The average duration of finalised investigations by partner agencies was 842 days.
Page 66	Table 15 incorrectly refers to the total number of reports from Home Affairs reviewed by ACLEI as 60.	The number of reports from Home Affairs reviewed by ACLEI was 61.
Page 66	Table 15 incorrectly refers to the total number of reports from Home Affairs reviewed within 30 days by ACLEI as 59.	The total number of reports from Home Affairs reviewed within 30 days by ACLEI was 60.
Page 66	Table 15 incorrectly refers to the total number of section 66 reports reviewed by ACLEI as 89, and to 87 of them being completed within 30 days.	Of the 90 investigation reports provided under section 66 of the <i>Law Enforcement Integrity Commissioner Act 2006</i> , 88 were reviewed and finalised within 30 days.
Page 146	Table 35 incorrectly refers to 60 section 66 final reports received from Home Affairs.	Home Affairs provided 61 investigation reports in 2021–22.

# PART FIVE

# Financial statements



## INDEPENDENT AUDITOR'S REPORT

### To the Attorney-General

#### Opinion

In my opinion, the financial statements of the Australian Commission for Law Enforcement Integrity (the Entity) for the year ended 30 June 2023:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2023 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2023 and for the year then ended:

- Statement by the Commissioner, Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flow; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

#### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other information

The National Anti-Corruption Commissioner is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023 but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information, and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

GPO Box 707, Canberra ACT 2601  
38 Sydney Avenue, Forrest ACT 2603  
Phone (02) 6203 7300

### **National Anti-Corruption Commissioner's responsibility for the financial statements**

The Commissioner may exercise the powers of the Accountable Authority of the Entity in accordance with section 1(4) of the *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022*. As the Accountable Authority, the National Anti-Corruption Commissioner is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The National Anti-Corruption Commissioner is also responsible for such internal control as the National Anti-Corruption Commissioner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Entity, the National Anti-Corruption Commissioner is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The National Anti-Corruption Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the National Anti-Corruption Commissioner;
- conclude on the appropriateness of the National Anti-Corruption Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the National Anti-Corruption Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Fiona Sheppard  
Executive Director  
Delegate of the Auditor-General  
Canberra  
24 October 2023

## PART 5

### STATEMENT BY THE COMMISSIONER, CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2023 comply with subsection 42(2) of the Public Governance, Performance and Accountability Act 2013 (PGPA Act), and are based on properly maintained financial records per subsection 41(2) of the PGPA Act.

The Australian Commission for Law Enforcement Integrity ceased to exist on 1 July 2023 and its functions, assets, liabilities, and equity, were subsumed by the National Anti-Corruption Commission upon its establishment on 1 July 2023 under the *National Anti-Corruption Commission Act 2022* and *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022*.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Commission for Law Enforcement Integrity's debts will be able to be paid as when they fall due. All assets and liabilities of ACLEI became the assets and liabilities of the Commission on 1 July 2023 without the need of any conveyance, novation, transfer or assignment and will be settled in the ordinary course of business.



The Hon PLG Brereton AM RFD SC  
Commissioner

Date: 20 October 2023



Philip Reed  
Chief Executive Officer

Date: 20 October 2023



Jason McGuire  
Chief Financial Officer

Date: 20 October 2023

## STATEMENT OF COMPREHENSIVE INCOME

### For the period ended 30 June 2023

	Notes	2023 \$'000	2,022 \$'000	Original Budget \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	<a href="#">1.1A</a>	16,933	12,634	18,373
Supplier expenses	<a href="#">1.1B</a>	7,599	3,681	12,806
Depreciation and amortisation	<a href="#">2.2A</a>	3,138	2,156	3,628
Finance costs	<a href="#">1.1C</a>	157	99	47
<b>Total expenses</b>		<b>27,827</b>	18,570	34,854
<b>Own-Source Income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	<a href="#">1.2A</a>	126	851	-
Other revenue	<a href="#">1.2B</a>	90	65	65
<b>Total own-source revenue</b>		<b>216</b>	916	65
<b>Net cost of services</b>		<b>(27,611)</b>	(17,654)	(34,789)
Revenue from Government	<a href="#">1.2C</a>	32,733	24,379	32,733
<b>Surplus (Deficit)</b>		<b>5,122</b>	6,725	(2,056)
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation surplus		-	-	-
Changes in makegood provision		-	(93)	-
<b>Total other comprehensive income</b>		-	(93)	-
<b>Total Comprehensive income/(loss)</b>		<b>5,122</b>	6,632	(2,056)

The above statement should be read in conjunction with the accompanying notes.

#### Budget variance commentary:

Budget variance commentaries in each Primary Statement provide explanations of major variances between the budget as presented in the 2022-23 October Portfolio Budget Statements (PBS) to the 2022-23 outcome as presented in accordance with Australian Accounting Standards for ACLEI.

High level explanations of the causes of the major variances (rather than the nature) have been provided. Explanations may consolidate multiple line items, including across Statements.

#### Employee Benefits

Employee expenses are lower than budgeted primarily due to the Average Staffing Level (ASL) at year end being 26 ASL less than the ASL of 133 as published in the 2022-23 October Portfolio Budget Statements (PBS). The variance primarily reflects the timing difference between the announcement of the establishment of the National Anti-corruption Commission (the Commission) followed by recruitment and onboarding of new staff.

#### Supplier Expenses

The variance primarily relates to the timing of operational expenditure in respect to the implementation of the secure and independent Information Communications Technology environment and property projects.

## PART 5

### STATEMENT OF FINANCIAL POSITION As at 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents		-	854	854
Trade and other receivables	<a href="#">2.1A</a>	<b>33,667</b>	30,074	10,396
<b>Total financial assets</b>		<b>33,667</b>	30,928	11,250
<b>Non-Financial Assets</b>				
Leasehold Improvements	<a href="#">2.2A</a>	<b>4,129</b>	3,411	17,683
Right-of-use asset	<a href="#">2.2A</a>	<b>4,266</b>	4,874	4,620
Plant and equipment	<a href="#">2.2A</a>	<b>1,074</b>	922	2,167
Computer software	<a href="#">2.2A</a>	<b>5,322</b>	168	4,535
Other non-financial assets	<a href="#">2.2B</a>	<b>860</b>	312	312
<b>Total non-financial assets<sup>1</sup></b>		<b>15,650</b>	9,687	29,317
<b>Total assets</b>		<b>49,317</b>	40,615	40,567
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	<a href="#">2.3A</a>	<b>1,564</b>	1,066	1,064
Other payables	<a href="#">2.3B</a>	<b>605</b>	554	554
<b>Total payables</b>		<b>2,169</b>	1,620	1,618
<b>Interest bearing liabilities</b>				
Leases	<a href="#">2.4A</a>	<b>4,632</b>	5,221	4,874
<b>Total interest bearing liabilities</b>		<b>4,632</b>	5,221	4,874
<b>Provisions</b>				
Employee provisions	<a href="#">4.1A</a>	<b>4,338</b>	3,105	3,188
Provision for restoration obligations	<a href="#">2.5A</a>	<b>736</b>	624	624
<b>Total provisions</b>		<b>5,075</b>	3,729	3,812
<b>Total liabilities</b>		<b>11,875</b>	10,570	10,304
<b>Net assets</b>		<b>37,442</b>	30,045	30,263
<b>EQUITY</b>				
Contributed equity		<b>29,913</b>	9,378	11,653
Reserves		<b>832</b>	832	833
Retained surplus/(Accumulated deficit)		<b>6,697</b>	19,835	17,777
<b>Total equity</b>		<b>37,442</b>	30,045	30,263

The above statement should be read in conjunction with the accompanying notes.

**Budget variance commentary:****Cash and cash equivalents**

The variance is due to ACLEI ceasing to exist on 1 July 2023, due to the establishment of the National Anti-Corruption Commission. The ACLEI bank account was closed as at 30 June 2023.

**Trade and other receivables**

The variance is primarily due to unspent appropriations resulting from the timing of recruitment and onboarding of new staff, and the delay in property projects in establishing the National Anti-Corruption Commission from 1 July 2023. Note 3.1B provides further detail in respect to unspent annual appropriations. Appropriation receivables also compose of unspent appropriation from prior years.

**Non-financial assets**

The variance relates to a delay in establishment of offices in Brisbane, Perth, and Canberra as the Headquarters for the National Anti-Corruption Commission.

**Employee provisions**

The budget for 2022-23 continued to reflect the actual 2021-22 employee leave provision amount. The actual employee leave provision for ACLEI staff in 2022-23 was higher than originally estimated, taking into account ACLEI's ASL of 107 in 2022-23 compared with an ASL of 89 in 2021-22.

## PART 5

### STATEMENT OF CHANGES IN EQUITY For the period ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000	Original Budget \$'000
<b>CONTRIBUTED EQUITY</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		9,378	7,206	9,378
Unspent equity adjustment			(542)	
<b>Opening balance</b>		<b>9,378</b>	<b>6,664</b>	<b>9,378</b>
<b>Distributions to owners</b>				
Return of Contributed Equity <sup>1</sup>		(1,298)	-	-
<b>Contributions by owners</b>				
Equity injection - Appropriation (Bill 2)		2,380	2,380	1,416
Departmental capital budget		19,453	334	19,119
<b>Total contribution by owners</b>		<b>20,535</b>	<b>2,714</b>	<b>20,535</b>
<b>Closing balance as at 30 June 2023</b>		<b>29,913</b>	<b>9,378</b>	<b>29,913</b>
<b>RETAINED EARNINGS</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		19,835	13,110	19,833
Opening balance adjustment				
<b>Adjusted opening balance</b>		<b>19,835</b>	<b>13,110</b>	<b>19,833</b>
<b>Comprehensive income</b>				
Surplus/(Deficit) for the period		5,122	6,725	(2,056)
Other comprehensive income		-	-	-
<b>Total comprehensive income</b>		<b>5,122</b>	<b>6,725</b>	<b>(2,056)</b>
<b>Transactions with owners</b>				
<b>Distributions to owners</b>				
Return of Contributed Equity <sup>2</sup>		(18,260)	-	(18,260)
<b>Total transactions with owners</b>		<b>(18,260)</b>	<b>-</b>	<b>(18,260)</b>
<b>Closing balance as at 30 June 2023</b>		<b>6,697</b>	<b>19,835</b>	<b>(483)</b>
<b>ASSET REVALUATION RESERVE</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		832	832	833
<b>Opening balance</b>		<b>832</b>	<b>832</b>	<b>833</b>
<b>Closing balance as at 30 June 2023</b>		<b>832</b>	<b>832</b>	<b>833</b>
<b>TOTAL EQUITY</b>				
Balance carried forward from previous period		30,045	21,148	30,044
Equity adjustment			(542)	
<b>Opening balance</b>		<b>30,045</b>	<b>20,606</b>	<b>30,044</b>
<b>Comprehensive income</b>				
Surplus (Deficit) for the period		5,122	6,725	(2,056)
Other comprehensive income		-	(93)	-
<b>Total comprehensive income</b>		<b>5,122</b>	<b>6,632</b>	<b>(2,056)</b>
<b>Transactions with owners</b>				
<b>Distributions to owners</b>				
Return of Contributed Equity		(19,558)	-	(18,260)
<b>Contributions by owners</b>				
Equity injections - Appropriation (Bill 2)		2,380	2,380	1,416
Departmental capital budget		19,453	334	19,119
<b>Total transactions with owners</b>		<b>2,275</b>	<b>2,714</b>	<b>2,275</b>
<b>Closing balance as at 30 June 2023</b>		<b>37,442</b>	<b>30,045</b>	<b>30,263</b>

<sup>1</sup> Comprise of return of appropriation \$198k of Appropriation Act (No.1) - Departmental Capital Budget (DCB) and \$1.100m of Appropriation Act (No. 2) - Equity Injection.

<sup>2</sup> Comprise of return of \$18.260m of Appropriation Act (No.1) - Operating.

The above statement should be read in conjunction with the accompanying notes.

#### ACCOUNTING POLICY

##### Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCB) are recognised directly in contributed equity in that year.

##### Budget variance commentary

Any related budget variance commentary is included in the other Primary Statements.

## STATEMENT OF CASH FLOW

For the period ended 30 June 2023

	2023	2022	Original Budget
Notes	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations	25,190	21,073	34,147
Sale of goods and rendering of services	126	1,182	-
Net GST received	976	392	-
<b>Total cash received</b>	<b>26,292</b>	<b>22,647</b>	<b>34,147</b>
<b>Cash used</b>			
Employees	(16,755)	(11,935)	(18,290)
Suppliers	(7,150)	(2,962)	(12,746)
GST Paid	(1,162)	(450)	-
Interest payments on lease liabilities	(45)	(22)	(42)
Section 74 receipts transferred to Official Public Account	(2,090)	(2,393)	-
Other - transferred to Official Public Account	(164)	(1,409)	-
<b>Total cash used</b>	<b>(27,366)</b>	<b>(19,171)</b>	<b>(31,078)</b>
<b>Net cash from/(used by) operating activities</b>	<b>(1,075)</b>	<b>3,476</b>	<b>3,069</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchase of property, plant and equipment	(7,007)	(1,840)	(22,032)
<b>Total cash used</b>	<b>(7,007)</b>	<b>(1,840)</b>	<b>(22,032)</b>
<b>Net cash (used by) investing activities</b>	<b>(7,007)</b>	<b>(1,840)</b>	<b>(22,032)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity	8,732	442	20,535
<b>Total cash received</b>	<b>8,732</b>	<b>442</b>	<b>20,535</b>
<b>Cash used</b>			
Principle payments of lease liabilities	(1,505)	(1,286)	(1,572)
<b>Total cash used</b>	<b>(1,505)</b>	<b>(1,286)</b>	<b>(1,572)</b>
<b>Net cash (used by) financing activities</b>	<b>7,227</b>	<b>(844)</b>	<b>18,963</b>
<b>Net increase/(decrease) in cash held</b>	<b>(854)</b>	<b>792</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	854	62	854
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>-</b>	<b>854</b>	<b>854</b>

The above statement should be read in conjunction with the accompanying notes.

### Budget variance commentary

Any related budget variances commentary is included in the other Primary Statements.

### OVERVIEW

#### The basis of preparation

The financial statements are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR), and
- b) Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 *Entities* under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

In accordance with AASB 101 Presentation of Financial Statements, paragraph 25, the financial statements have been prepared on a going concern basis of accounting.

In accordance with the *National Anti-Corruption Commission Act 2022* and the *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022* that ACLEI will cease to exist and the National Anti-Corruption Commission will consequently be established on 1 July 2023. In accordance with the *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022* and Machinery of Government provisions, ACLEI's assets and liabilities will be transferred to the Commission upon establishment on 1 July 2023. In respect with these requirements, all assets and liabilities of ACLEI became the assets and liabilities of the Commission on 1 July 2023 without the need for any conveyance, novation, transfer or assignment and will be settled in the ordinary course of business.

#### *Transfer of assets and liabilities*

- ACLEI appropriations have been transferred, as of 1 July 2023, to the Commission under section 75 of the *Public Governance, Performance and Accountability Act 2013*.
- Transitional arrangements under the *National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022* provide that:
  - in accordance with ss 44-48 all employees, consultants, secondees, counsel and authorised officers of ACLEI will become employees, consultants, secondees, counsel and authorised officers of the Commission upon establishment.
  - in accordance with s53 all contracts, deeds, undertakings and legislative instruments that refer to ACLEI, the Integrity Commissioner or an Assistant Integrity Commissioner are taken to refer to the Commission or officers of the Commission as applicable.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

#### Events after the reporting period

The National Anti-Corruption Commission (the Commission) was established on 1 July 2023 under the *National Anti-Corruption Commission Act 2022*. The Australian Commission for Law Enforcement Integrity (ACLEI) ceased to exist and has been subsumed to form the basis of the Commission on 1 July 2023.

#### Taxation

ACLEI is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

#### Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of financial position but are reported in the relevant note, if applicable. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed where settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

At 30 June 2023 ACLEI has no contingent liabilities or contingent assets (2022: 0 unquantifiable).

#### Reclassification of prior year balances

Where applicable, balances for the prior year (2021-22) have been reclassified to provide consistent comparative information with that of the current year (2022-23). This includes balances relating to the Lease Liability and Statement of cashflow.

#### Breach of Section 83 of the Constitution

There have been no known breaches of Section 83 of the Constitution for the reporting period.

#### Budget variance

Budget variance commentaries in each Primary Statement provide explanations of major variances between the 2022-23 October and the 2022-23 outcome.

High level explanations of the causes of the major variances (rather than the nature) have been provided. Explanations may consolidate multiple line items, including across Statements.

## 1. FINANCIAL PERFORMANCE

### 1.1. Expenses

	2023	2022
	\$'000	\$'000
<b><u>1.1 A: EMPLOYEE BENEFITS</u></b>		
Wages and salaries	12,672	10,017
Superannuation		
Defined contribution plans	1,452	1,048
Defined benefit plans	701	419
Leave and other entitlements	1,680	1,150
Termination benefits	427	-
<b>Total employee benefits</b>	<b>16,933</b>	<b>12,634</b>

#### ACCOUNTING POLICY

Accounting policies for employee related expenses are contained in the People and Relationships Section.

### **1.1 B: SUPPLIERS**

#### Goods and services supplied or rendered

Business operating expenses	1,275	441
Information and communication expenses	2,375	577
Professional and legal expenses	2,397	1,876
Travel and employee development	1,372	673
Other	180	92
<b>Total goods and services supplied or rendered</b>	<b>7,600</b>	<b>3,659</b>

Goods supplied	2,061	1,487
Services rendered	5,539	2,172
<b>Total goods and services supplied or rendered</b>	<b>7,600</b>	<b>3,659</b>

#### Other suppliers

Workers compensation expenses	-	22
<b>Total other suppliers</b>	<b>-</b>	<b>22</b>
<b>Total suppliers</b>	<b>7,600</b>	<b>3,681</b>

ACLEI has no short-term lease commitments as at 30 June 2023.

	2023	2022
	\$'000	\$'000
<b>1. 1 C: FINANCE COSTS</b>		
Interest on lease liabilities	45	22
Unwinding of discount	112	77
<b>Total finance costs</b>	<b>157</b>	<b>99</b>

The above lease disclosures should be read in conjunction with note 2.4A and 2.5A.

#### ACCOUNTING POLICY

All finance costs are expensed as incurred.

## PART 5

### 1.2. Own-source revenue

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
<b>1.2A: REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
Revenue from contracts with customers	-	749
WILES Program	<u>126</u>	<u>102</u>
<b>Total revenue from contracts with customers</b>	<b><u>126</u></b>	<b><u>851</u></b>
Disaggregation of revenue from contracts with customers		
Section 74	-	749
WILES Program	<u>126</u>	<u>102</u>
	<b><u>126</u></b>	<b><u>851</u></b>
<i>Customer type</i>		
Commonwealth entities	<u>126</u>	<u>851</u>
	<b><u>126</u></b>	<b><u>851</u></b>
<i>Timing of transfer of services</i>		
As provided to customers	-	749
Over time aligned with project costs incurred	<u>126</u>	<u>102</u>
	<b><u>126</u></b>	<b><u>851</u></b>

#### ACCOUNTING POLICY

Revenue from the contracts with customers is recognised when the performance obligation with the customer is satisfied. A contract is in scope of AASB 15 if the performance obligations required by an enforceable contract are sufficiently specific to enable ACLEI to determine when they have been satisfied.

The following is a description of the principal activity from which ACLEI generates its revenue:

##### Section 74 revenue

Section 74 revenue from other Government entities, which is not considered contractual in nature and is not subject to milestones. All customers are Australian Government entities.

##### WILES Program revenue

WILES Program revenue is received from other Government entities as contribution towards the Women in Law Enforcement Strategy (WILES) Program. The Secretariat function was held by ACLEI in 2021-22 and into 2022-23 where the administration responsibility was transferred to the Attorney-General's Department (AGD) in November 2022. The residual funding of \$79,770 has been paid to AGD.

Funding received in advance of the satisfactory completion of performance obligations is recognised as unearned revenue liability on the balance sheet.

Receivables for goods and services, which have 20 days terms, are recognised at their nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period.

Allowances are made when collectability of the debt is no longer probable.

### **1.2B: OTHER REVENUE**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
Remuneration of auditors	<u>90</u>	<u>65</u>
<b>Total other revenue</b>	<b><u>90</u></b>	<b><u>65</u></b>

#### ACCOUNTING POLICY

##### Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government entity as a consequence of a restructuring of administrative arrangements.

### **1.2 C: REVENUE FROM GOVERNMENT**

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
Departmental appropriations	<u>32,733</u>	<u>24,379</u>
<b>Total revenue from Government</b>	<b><u>32,733</u></b>	<b><u>24,379</u></b>

#### ACCOUNTING POLICY

##### Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when ACLEI gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

## 2. FINANCIAL POSITION

### 2.1. Financial assets

	<b>2023</b>	2022
	<b>\$'000</b>	\$'000
<b>2.1 A: TRADE AND OTHER RECEIVABLES</b>		
<b>Goods and services receivables</b>		
Goods and services	<b>100</b>	39
<b>Total goods and services receivables</b>	<b>100</b>	39
<b>Appropriations receivables</b>		
<b>Total appropriations receivables</b>	<b>33,090</b>	29,750
<b>Other receivables</b>		
Statutory receivables – GST	<b>476</b>	283
Fringe benefit tax	-	2
<b>Total other receivables</b>	<b>476</b>	285
<b>Total trade and other receivables (net)</b>	<b>33,666</b>	30,074

Credit terms for goods and services were within 20 days (2022: 20 days)

#### ACCOUNTING POLICY

##### Financial assets

Trade receivables, loans and other receivables that are held for the purpose of collecting contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below- market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

## PART 5

### 2.2. Non-financial assets

#### 2.2A: RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES

	Leasehold improvement	Plant and equipment	Right of use assets	Computer software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2022</b>					
Gross book value	4,013	1,120	8,719	258	14,111
Accumulated depreciation, amortisation and impairment	(602)	(198)	(3,845)	(90)	(4,735)
<b>Net book value as at 1 July 2022</b>	<b>3,411</b>	<b>922</b>	<b>4,874</b>	<b>168</b>	<b>9,375</b>
Additions					
Purchase	1,666	188	-	1,629	3,483
Work in progress (not revalued)	351	116	-	3,688	4,154
Right of use	-	-	916	-	916
Depreciation and amortisation	(1,299)	(152)	0	(163)	(1,614)
Depreciation on RoU assets	-	-	(1,524)	-	(1,524)
<b>Net book value as at 30 June 2023</b>	<b>4,129</b>	<b>1,074</b>	<b>4,266</b>	<b>5,322</b>	<b>14,791</b>
<b>Net book value as at 30 June 2023 represented by</b>					
Gross book value	6,031	1,424	9,635	5,575	22,664
Accumulated depreciation and impairment	(1,901)	(350)	(5,368)	(254)	(7,873)
<b>Net book value as at 30 June 2023</b>	<b>4,129</b>	<b>1,074</b>	<b>4,266</b>	<b>5,322</b>	<b>14,791</b>

No property, plant and equipment and intangibles are expected to be sold or disposed of within the next 12 months.

#### ACCOUNTING POLICY

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

##### Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by ACLEI where there exists an obligation to restore the property to its original condition. These costs are included in the value of ACLEI's leasehold improvements with a corresponding provision for the 'make good' recognised.

##### Revaluations

Following initial recognition at cost, property, plant and equipment (excluding RoU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

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

##### Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to ACLEI using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Asset class	2022-2023	2021-2022
Leasehold Improvements	Lower of useful life or lease term	Lower of useful life or lease term
Right of Use assets	Lower of useful life or lease term	Lower of useful life or lease term
Plant and Equipment	3 to 19 years	3 to 19 years
Intangibles	3 years	3 years

Impairment

In accordance with paragraph 9 of AASB 136 ACLEI assesses, at the end of each reporting period, whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. Furthermore, in accordance with paragraph 10(a) of AASB 136 ACLEI assesses all intangible asset not yet available for use for impairment annually by comparing its carry amount with its recoverable amount.

No indicators of impairment were identified, and that is attributable to the currency of ACLEI's assets given that the bulk of ACLEI's assets are new and relate to active projects in the case of work in progress and are primarily associated with the transition to the Commission.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if ACLEI were deprived of the asset, its value is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal when no further future economic benefits are expected from its use or disposal.

Intangibles

ACLEI's intangibles comprise of purchased software. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

	2023 \$'000	2022 \$'000
<b><u>2.2B: OTHER NON-FINANCIAL ASSETS</u></b>		
Prepayments	<u>860</u>	<u>312</u>
<b>Total other non-financial assets</b>	<b><u>860</u></b>	<b><u>312</u></b>

No indicators of impairment were found for other non-financial assets.

**2.3. Payables**

	2023 \$'000	2022 \$'000
<b><u>2.3A: SUPPLIERS</u></b>		
Trade creditors and accruals	<u>1,564</u>	<u>1,066</u>
<b>Total suppliers</b>	<b><u>1,564</u></b>	<b><u>1,066</u></b>

Payment settlement terms for suppliers were within 20 days (2022: 20 days).

**2.3B: OTHER PAYABLES**

Salaries and wages	550	386
Superannuation	55	42
Unearned income	-	<u>126</u>
<b>Total other payables</b>	<b><u>605</u></b>	<b><u>554</u></b>

## PART 5

### 2.4. Interest bearing liabilities

	2023 \$'000	2022 \$'000
<b>2.4A: INTEREST BEARING LIABILITIES</b>		
Leases	<u>4,632</u>	<u>5,221</u>
<b>Total interest bearing liabilities</b>	<u>4,632</u>	<u>5,221</u>

ACLEI has applied AASB 16 using the modified retrospective approach. Therefore, the comparative information has not been restated and continues to be reported under AASB 117.

Total cash outflow for leases for the year ended 30 June 2023 was \$1.505m (2022: \$1.286m).

<b>Maturity analysis - contractual undiscounted cash flows</b>		
Within 1 year	1,548	1,649
Between 2 and 5 years	4,521	5,206
More than 5 years	-	29
<b>Total leases</b>	<u>6,069</u>	<u>6,884</u>

ACLEI, in its capacity as lessee, has 4 leased office accommodation premises. Lease payments are paid on a monthly basis and subject to annual increases in accordance with the lease agreements.

The lease liability represents the present value of the remaining lease payments, discounted using the incremental borrowing rate (IBR) determined at the commencement of the lease. The IBR is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and condition at that point in time.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1C and 2.2A.

#### ACCOUNTING POLICY

For all new contracts entered into, ACLEI considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the agency's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

### 2.5. Other provisions

	Provision for Restoration \$'000	Total \$'000
<b>As at 1 July 2022</b>	624	624
Unwinding of discount - makegood provision	112	112
Addition to makegood provision at 30 June 2023	-	-
<b>Total as at 30 June 2023</b>	<u>736</u>	<u>736</u>

#### ACCOUNTING POLICY

In the process of applying accounting policies detailed in these financial statements, ACLEI has made the following judgements that have the most significant impact on the amounts recorded in this note:

The cost of making good properties leased by ACLEI is based on estimates of completing such remedial work. In some instances, the actual cost to complete make good work may not match the estimated costs.

### 3. FUNDING

#### 3.1. Appropriations

##### 3.1A: ANNUAL APPROPRIATIONS ("RECOVERABLE GST EXCLUSIVE")

ANNUAL APPROPRIATIONS - 2023	Annual Appropriation <sup>1</sup> \$'000	Adjustment to appropriation \$'000	Total appropriation \$'000	Appropriation applied in 2023 (current and prior years) \$'000	Variance <sup>2</sup> \$'000
<b>Departmental</b>					
Ordinary Annual Services	32,733	2,090	34,823	(25,880)	8,944
Departmental Capital Budget <sup>3</sup>	19,453	-	19,453	(6,477)	12,976
Other services					
Equity Injections	2,380	-	2,380	(2,256)	124
<b>Total departmental</b>	<b>54,566</b>	<b>2,090</b>	<b>56,656</b>	<b>(34,612)</b>	<b>22,044</b>
<b>Notes:</b>					
<sup>1</sup> No amounts of current year annual appropriation have been withheld under s 51 of the PGPA Act or quarantined for administrative purposes.					
<sup>2</sup> In 2022-23, the variance represents the balance remaining from unspent annual appropriations due to delay in establishment of offices in Brisbane, Perth, and Canberra as the headquarters for the Commission, timing of expenditure in respect to the implementation of the ICT environment and movements in section 74 receipts and prior year unspent appropriations adjustments.					
<sup>3</sup> Departmental Capital Budgets are appropriated through Appropriation Acts (No.1, 3 and 5) They form part of ordinary annual services and are not separately identified in the Appropriation Acts.					
<b>ANNUAL APPROPRIATIONS - 2022</b>	<b>Annual Appropriation<sup>1</sup> \$'000</b>	<b>Adjustment to appropriation \$'000</b>	<b>Total appropriation \$'000</b>	<b>Appropriation applied in 2022 (current and prior years) \$'000</b>	<b>Variance<sup>2</sup> \$'000</b>
<b>Departmental</b>					
Ordinary Annual Services	24,379	3,803	28,182	(20,533)	7,649
Departmental Capital Budget <sup>3</sup>	334	-	334	(191)	143
Other services					
Equity Injections	2,380	-	2,380	(792)	1,588
<b>Total departmental</b>	<b>27,093</b>	<b>3,803</b>	<b>30,896</b>	<b>(21,516)</b>	<b>9,380</b>

<sup>1</sup> \$19.558m have been withheld under s 51 of the PGPA Act or quarantined for administrative purposes in 2021-22.

This was advised post 30 June 2022 as part of 2022-23 October Budget.

<sup>2</sup> In 2021-22 the variance represents the balance remaining from unspent annual appropriations, movements in section 74 receipts and prior year unspent appropriation adjustments.

<sup>3</sup> Departmental Capital Budgets are appropriated through Appropriation Acts (No.1, 3 and 5) They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

## PART 5

### 3.1B: UNSPENT ANNUAL APPROPRIATIONS (RECOVERABLE GST EXCLUSIVE)

	2023	2022
	\$'000	\$'000
<b>Departmental</b>		
Appropriation Act (No.1) - Operating - 2021-2022 <sup>1</sup>	18,260	25,217
Appropriation Act (No.1) - Departmental Capital Budget (DCB) 2021-2022 <sup>1</sup>	198	334
Appropriation Act (No.1) - Departmental Capital Budget (DCB) 2020-2021	-	137
Supply Act (No. 1) - Departmental Capital Budget (DCB) 2020-2021	-	185
Appropriation Act (No. 2) - Equity Injection - 2020-2021 <sup>1</sup>	1,100	1,497
Appropriation Act (No. 2) - Equity Injection - 2021-22	521	2,380
Supply Act (No. 3) - Operating - 2022-23	14,356	-
Appropriation Act (No. 1) - Operating - 2022-23	2,398	-
Appropriation Act (No. 1) - Departmental Capital Budget (DCB) - 2022-23	13,435	-
Appropriation Act (No. 2) - Equity Injections - 2022-23	2,380	-
Cash and cash equivalents	-	854
<b>Total departmental</b>	<b>52,648</b>	<b>30,604</b>

### 3.2. Net cash appropriation arrangements

	2023	2022
	\$'000	\$'000
3.2A: NET CASH APPROPRIATION ARRANGEMENTS		
Total comprehensive income - as per the Statement of comprehensive income	5,122	6,632
<b>plus:</b> depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) <sup>2</sup>	1,614	808
<b>Plus:</b> Depreciation of right of use assets <sup>3</sup>	1,524	1,348
<b>Less:</b> Lease principal repayments <sup>3</sup>	<b>(1,505)</b>	<b>(1,286)</b>
Net Cash Operating Surplus	<b>6,756</b>	<b>7,502</b>

<sup>1</sup> A total of \$19.558m has been withheld under s 51 of the PGPA Act or quarantined for administrative purposes. This was advised post 30 June 2022 as part of the October 2022-23 Budget.

<sup>2</sup> From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses of non-corporate Commonwealth entities and selected corporate Commonwealth entities were replaced with a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required. Assets to which depreciation expenses are related to are disclosed in Note 2.2A.

<sup>3</sup> The inclusion of depreciation/amortisation expenses related to RoU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements.

## 4. PEOPLE AND RELATIONSHIPS

### 4.1. Employee provisions

	2023	2022
	\$'000	\$'000
<b>4.1A: EMPLOYEE PROVISIONS</b>		
Leave	<b>4,338</b>	3,105
<b>Total employee provisions</b>	<b>4,338</b>	3,105

#### ACCOUNTING POLICY

Liabilities for short-term employee benefits and termination benefits expected within 12 months of the end of reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

##### Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of ACLEI is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including ACLEI's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined using the shorthand calculation method as at 30 June 2023. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

##### Superannuation

ACLEI staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit scheme for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

ACLEI makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. ACLEI accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

##### Accounting judgements and estimates

In the process of applying accounting policies detailed in these financial statements, ACLEI has made the following judgements that have the most significant impact on the amounts recorded for this note:

Leave provisions involve assumptions based on the likely tenure of existing staff, patterns of leave claims and pay outs, future salary movements and future discount rates. The appropriate Commonwealth bond rate has been used as the future discount rate.

### 4.2. Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of ACLEI, directly or indirectly. ACLEI has determined the key management personnel to be the Accountable Authority (Integrity Commissioner), Deputy Integrity Commissioner, and Senior Executive Service Officers. Key management personnel remuneration is reported in the table below:

	2023	2022
	\$'000	\$'000
Short-term employee benefits	<b>1,409</b>	1,073
Post-employment benefits	<b>221</b>	169
Other long-term employee benefits	<b>33</b>	26
Termination benefits	<b>180</b>	-
<b>Total key management personnel remuneration expenses<sup>1</sup></b>	<b>1,843</b>	1,268

The total number of key management personnel that are included in the above table are 6 individuals (2022: 4 individuals).

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by ACLEI.

## PART 5

### 4.3. Related party disclosures

#### Related party relationships:

ACLEI is an Australian Government controlled entity. Related parties to ACLEI are:

- key management personnel of ACLEI and their close family members, and entities controlled or jointly controlled by either;
- the Attorney-General and Cabinet Ministers; and
- all other Australian Government entities.

#### Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. These transactions have not been separately disclosed in this note.

Significant transactions with related parties can include:

- purchases of goods and services;
- asset purchases, sales transfers or leases; and
- debts forgiven

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the ACLEI, it has been determined that there are no related party transactions to be disclosed other than KMP remuneration disclosed in Note 4.2.

## 5. MANAGING UNCERTAINTIES

### 5.1. Financial instruments

	2023 \$'000	2022 \$'000
<b><u>5.1 A: CATEGORIES OF FINANCIAL INSTRUMENTS</u></b>		
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	-	854
Trade and other receivables	<u>100</u>	<u>39</u>
<b>Total financial assets at amortised cost</b>	<b><u>100</u></b>	<b><u>893</u></b>
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	<u>1,564</u>	<u>1,066</u>
<b>Total financial liabilities at amortised cost</b>	<b><u>1,564</u></b>	<b><u>1,066</u></b>

#### ACCOUNTING POLICY

##### Financial assets

In accordance with AASB 9 *Financial Instruments*, ACLEI classifies its financial assets in the following category: financial assets measured at amortised cost.

Financial assets are recognised when ACLEI becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and are derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

##### Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

##### Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

##### Financial liabilities

Financial liabilities are classified as financial liabilities at amortised cost. Financial liabilities are recognised and derecognised upon 'trade date'.

##### Financial liabilities at amortised cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

### 5.2. Fair value measurement

	2023 \$'000	2022 \$'000
<b><u>5.2A: FAIR VALUE MEASUREMENT</u></b>		
<b>Non-financial assets</b>		
Leasehold improvements	4,129	3,411
Plant and equipment	<u>1,074</u>	<u>922</u>
<b>Total Non-financial assets as at 30 June 2023</b>	<b><u>5,203</u></b>	<b><u>4,333</u></b>

#### ACCOUNTING POLICY

ACLEI engaged the services of Jones Lang LaSalle Public Sector Valuations (JLL) to conduct a revaluation of Leasehold Improvement (excluding work in progress) at 30 June 2022. ACLEI has asset valuations undertaken on a triennial basis. JLL provided written assurance to ACLEI that the models developed are in compliance with AASB 13.

The level of fair value hierarchy utilised in the valuation was: Leasehold Improvements: Level 3; Plant and Equipment: Level 2 and Level 3.

The market approach has been utilised to determine fair value of the plant and equipment. The market approach considered transactions and pricing data that has occurred in the principal market in arriving at fair value. The depreciated replacement cost (DRC) approach has been utilised to determine fair value. The DRC approach reflects the amount a market participant would be prepared to pay to acquire or construct a substitute asset of comparable utility, adjusted for physical depreciation and obsolescence. There has been no change to the valuation technique since the previous valuation.

ACLEI's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

## PART 5

### 6. OTHER INFORMATION

#### 6.1. Current/non-current distinction for assets and liabilities

	2023	2022
	\$'000	\$'000
<b>6.1. A: CURRENT/NON-CURRENT DISTINCTION FOR ASSETS AND LIABILITIES</b>		
<b>Assets expected to be recovered in:</b>		
<b>No more than 12 months</b>		
Cash and cash equivalents	-	854
Trade and other receivables	33,667	30,074
Other non-financial assets	860	312
<b>Total no more than 12 months</b>	<b>34,526</b>	<b>31,240</b>
<b>More than 12 months</b>		
Leasehold Improvements	4,129	3,411
Right of use assets	4,266	4,874
Plant and equipment	6,395	1,090
<b>Total more than 12 months</b>	<b>14,791</b>	<b>9,375</b>
<b>Total assets</b>	<b>49,318</b>	<b>40,615</b>
<b>Liabilities expected to be settled in:</b>		
<b>No more than 12 months</b>		
Suppliers	1,564	1,066
Other payables	605	554
Leases	1,548	1,330
Employee provisions	1,700	1,299
<b>Total no more than 12 months</b>	<b>5,416</b>	<b>4,249</b>
<b>More than 12 months</b>		
Leases	3,083	3,891
Employee provisions	2,639	1,806
Other provision	736	624
<b>Total more than 12 months</b>	<b>6,458</b>	<b>6,321</b>
<b>Total liabilities</b>	<b>11,875</b>	<b>10,570</b>

# Appendices

## Appendix 1

### Assumed identities annual report

Description	Outcomes for 2022–23
The number of authorities granted by the Integrity Commissioner or their delegate during the year. [s 15LD(1)(a)]	3
General description of the activities undertaken by authorised civilians and authorised law enforcement officers when using assumed identities under Part IAC during the year. [s 15LD(1)(b)]	Investigation of and/or intelligence gathering concerning criminal activity related to ACLEI's functions.  Administrative functions in relation to the integrity of ACLEI's assumed identities capability.
The number of applications for authorities that were refused during the year. [s 15LD(1)(c)]	None.
The number of authorities of which control was transferred by the Integrity Commissioner or their delegate under s 15KV during the year. [s 15LD(1)(d)]	None.
The number of authorities of which control was transferred to the Integrity Commissioner or their delegate under s 15KV during the year. [s 15LD(1)(e)]	None.
Statement whether or not any fraud or other unlawful activity was identified by an audit under s 15LG during the year. [s 15LD(1)(f)]	No fraud or other unlawful activity was identified by audit under s 15LG during the period 1 July 2022 to 30 June 2023.
Other information relating to authorities and assumed identities and the administration of Part IAC that the LEIC Minister considers appropriate. [s 15LD(1)(g)]	N/A

## Appendix 2

### Witness identity protection certificates annual report

Description	Outcomes for 2022–23
The number of witness identity certificates given during the year. [s 15MU(2)(a)]	None.
The basis on which the Integrity Commissioner was satisfied about the matters mentioned in s 15ME(1)(b) for each certificate. [s 15MU(2)(b)]	N/A
If disclosure of an operative's identity to a presiding officer was required by s 15ML – details of the proceeding in relation to which disclosure was required and details of the things that the presiding officer required the operative to do under that section. [s 15MU(2)(c)]	N/A
If leave was given or an order made under s 15MM in a proceeding in which a witness identity protection certificate for an operative was filed – details of the proceeding that relate to the leave or order. [s 15MU(2)(d)]	N/A
If leave was given for joinder of a person as a respondent to proceedings under s 15MN – details of the person who was joined and who appeared on their behalf. [s 15MU(2)(e)]	N/A
If leave was given for an adjournment under s 15MP – details of whether an appeal was made against the decision under that section. [s 15MU(2)(f)]	N/A
If a witness identity protection certificate was cancelled under s 15MQ – the reasons why the certificate was cancelled. [s 15MU(2)(g)]	N/A
If a permission was given under s 15MR – the reasons why the permission was given. [s 15MU(2)(h)]	N/A
Other information relating to witness identity protection certificates and the administration of Part IACA of the Crimes Act that the Minister considers appropriate. [s 15MU(2)(i)]	N/A

### Appendix 3

#### Statistical reporting

Appendix 3 provides detailed statistics in response to the reporting requirements of the LEIC Act.

These statistics provide additional information to that provided against our performance measures in the Annual Performance Statement (as required by the PGPA Act).

All information in brackets in the tables below is from the 2021–22 reporting period, and is provided as a comparison to the 2022–23 figures.

#### Part 1: Agency overview

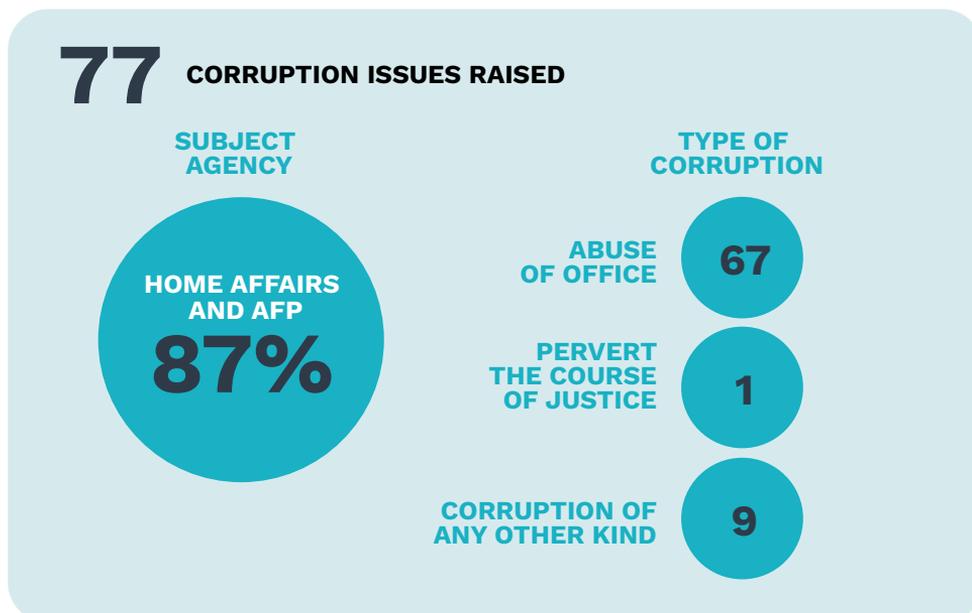
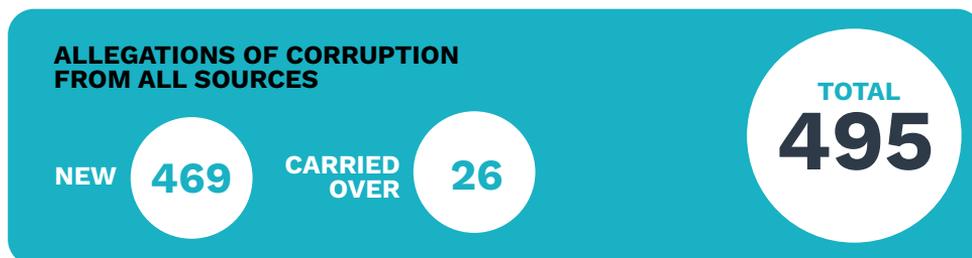
The 2022–23 year was marked by preparing for both the closure of ACLEI and the commencement of the NACC. In relation to ACLEI's assessment and investigation work, this required ACLEI to particularly focus on finishing investigations through the year and preparing the investigation reports for completed investigations. In 2022–23, ACLEI assessed 469 allegations of corruption. Of those matters, 393 were assessed as being out of jurisdiction, either because the allegation did not raise a corruption issue or because the allegation did not relate to a staff member of a law enforcement agency. Seventy-six matters were assessed as raising a corruption issue, leading to the commencement of 12 investigations.

On 30 June 2023, ACLEI had 25 corruption issues, which were carried into the NACC. Of those 25 corruption issues:

- » 12 corruption issues were under active investigation
- » 5 corruption issues related to briefs of evidence being assessed by the CDPP
- » 4 corruption issues related to matters before the courts
- » 6 corruption issues related to investigations which were finalised, but were going through the reporting process.

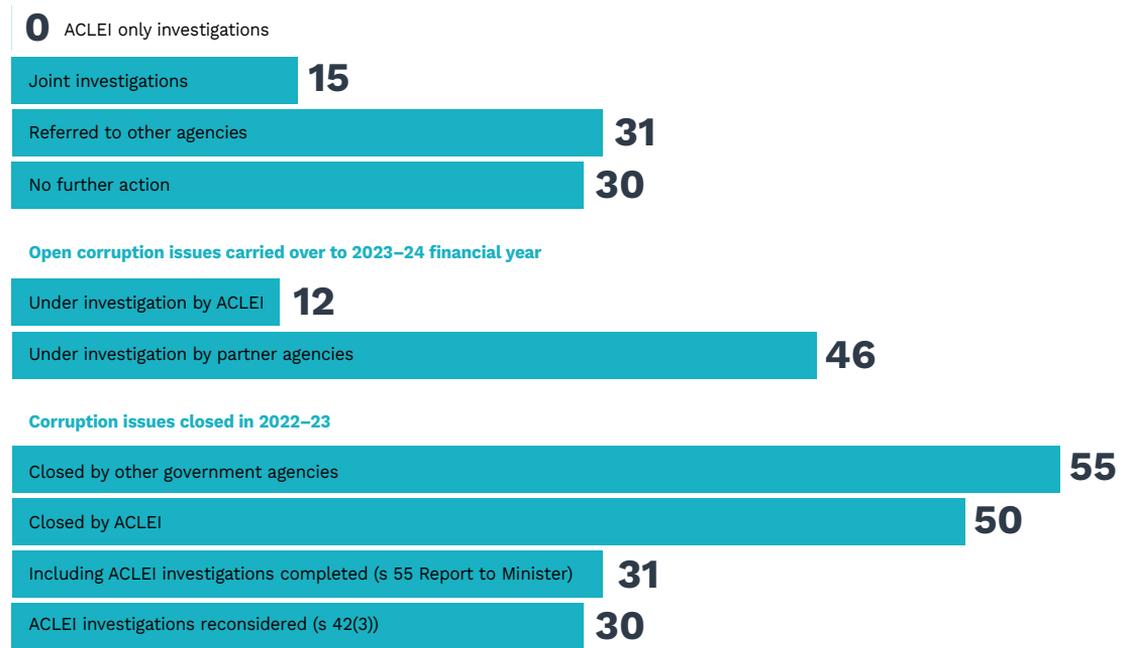
It is important to note that the data reported in Part 1 of Appendix 3 is all of the matters received by ACLEI in 2022–23. Parts 2 to 4 of Appendix 3 provide further details of the matters that have gone through the initial Tier 1 assessment to a more detailed Tier 2 assessment.

## Agency overview



## PART SIX

### How notifications and referrals were dealt with in 2022–23



## Part 2: Notifications from agency heads (sub-para 201(a)(i) LEIC Act, s 11 LEIC Regulations)

<b>Notifications received in 2022–23</b>	<b>101</b>
Home Affairs	55
AFP	32
Other	14
<b>Assessment status of notifications</b>	
Assessed corruption issue	58
Out of jurisdiction	32
Under assessment	12
<b>Types of corruption</b>	
Abuse of office	52
Pervert the course of justice	1
Corruption of any other kind	5
<b>How notifications assessed as a corruption issue were dealt with</b>	
Investigation commenced (includes referred back to agency)	32
No further action	26
Under assessment	0
<b>Investigation responsibility</b>	
ACLEI	0
Joint	5
Other agencies	26

**Table A3.1: Total notifications under assessment in 2022–23 under s 19**

End of period status	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
Matters under assessment	0 (0)	2 (1)	6 (2)	0 (0)	0 (0)	0 (0)	0 (0)	0 (1)	4 (4)	0 (0)	12 (8)	12% (7%)
Notifications assessed as not raising a corruption issue	0 (0)	0 (1)	3 (7)	0 (1)	2 (4)	0 (2)	0 (0)	2 (3)	25 (20)	0 (0)	31 (38)	32% (36%)
Notifications assessed as raising a corruption issue	0 (0)	3 (2)	23 (26)	0 (0)	0 (1)	0 (5)	1 (1)	4 (3)	26 (23)	0 (0)	58 (61)	56% (57%)
<b>Total</b>	<b>0 (0)</b>	<b>5 (4)</b>	<b>32 (35)</b>	<b>0 (1)</b>	<b>2 (5)</b>	<b>0 (7)</b>	<b>1 (1)</b>	<b>6 (7)</b>	<b>55 (47)</b>	<b>0 (0)</b>	<b>101 (107)</b>	<b>100%</b>

## PART SIX

**Table A3.2: Corruption issues assessed in 2022–23 under s 19 – by type of corruption\***

End of period status	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
Abuse of office	0 (0)	2 (2)	21 (22)	0 (0)	0 (1)	0 (5)	1 (1)	4 (3)	23 (21)	0 (0)	52 (55)	89%
Pervert the course of justice	0 (0)	0 (0)	1 (3)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (3)	2%
Corruption of any other kind	0 (0)	1 (0)	1 (1)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	3 (2)	0 (0)	5 (3)	9%
<b>Total</b>	<b>0 (0)</b>	<b>3 (2)</b>	<b>23 (26)</b>	<b>0 (0)</b>	<b>0 (1)</b>	<b>0 (5)</b>	<b>1 (1)</b>	<b>4 (3)</b>	<b>26 (23)</b>	<b>0 (0)</b>	<b>58 (61)</b>	<b>100%</b>

\* Type of corruption based on initial assessment when the corruption allegation is received and is subject to change

**Table A3.3: How notifications of corruption issues in 2022–23 under s 19 were dealt with**

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
<b>Investigations commenced</b>												
ACLEI Investigation	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (1)	0 -	0 (1)	0%
Joint investigation	0 (0)	1 (2)	3 (3)	0 (0)	0 (0)	0 (3)	0 (0)	0 (1)	1 (11)	0 -	5 (20)	8%
Managed or overseen investigation	0 (0)	1 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (0)	2%
Unsupervised agency investigation	0 (0)	1 (0)	11 (9)	0 (0)	0 (0)	0 (2)	1 (0)	1 (1)	12 (4)	0 (0)	26 (16)	45%
Not significant – agency investigation	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0%
<b>Subtotal</b>	<b>0 (0)</b>	<b>3 (2)</b>	<b>14 (12)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (5)</b>	<b>1 (0)</b>	<b>1 (2)</b>	<b>13 (16)</b>	<b>0 (0)</b>	<b>32 (37)</b>	<b>55%</b>
<b>No further action</b>												
Issue is or will be investigated by a law enforcement agency	0 (0)	0 (0)	10 (14)	0 (0)	0 (0)	0 (0)	0 (1)	3 (1)	5 (4)	0 (0)	18 (20)	31%
Has, is or will be the subject of proceedings before court	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0%
Investigation not warranted	0 (0)	0 (0)	0 (0)	0 (0)	0 (1)	0 (0)	0 (0)	0 (0)	8 (3)	0 (0)	8 (4)	14%
<b>Subtotal</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>10 (14)</b>	<b>0 (0)</b>	<b>0 (1)</b>	<b>0 (0)</b>	<b>0 (1)</b>	<b>3 (1)</b>	<b>13 (7)</b>	<b>0 (0)</b>	<b>26 (24)</b>	<b>45%</b>
<b>Total</b>	<b>0 (0)</b>	<b>3 (2)</b>	<b>24 (26)</b>	<b>0 (0)</b>	<b>0 (1)</b>	<b>0 (5)</b>	<b>1 (1)</b>	<b>4 (3)</b>	<b>26 (23)</b>	<b>0 (0)</b>	<b>58 (61)</b>	<b>100%</b>

### Part 3: Referrals from other sources (sub-para 201(1)(ii) LEIC Act, s 12 LEIC Regulations)

<b>Referrals received in 2022–23</b>	<b>51</b>
Referrals under assessment in 2022–23	69
AFP	27
Home Affairs	26
Other	16
<b>Assessment status of referrals</b>	
Assessed corruption issue	17
Out of jurisdiction	38
Under assessment	14
<b>Types of corruption</b>	
Abuse of office	13
Pervert the course of justice	0
Corruption of any other kind	4
<b>How referrals assessed as a corruption issue were dealt with</b>	
Investigation commenced	13
No further action	4
Under assessment	0
<b>Investigation responsibility</b>	
ACLEI	0
Joint	10
Other agencies	3

**Table A3.4: Total referrals under assessment in 2022–23 under s 18 or s 23**

End of period status	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
Matters under assessment	1 (0)	0 (1)	6 (7)	0 (0)	0 (0)	3 (0)	0 (0)	0 (0)	4 (8)	0 N/A	14 (16)	20%
Matters assessed as being out of jurisdiction	0 (0)	1 (3)	16 (20)	0 (0)	4 (6)	3 (7)	1 (0)	1 (2)	12 (22)	0 N/A	38 (60)	55%
Notifications assessed as raising a corruption issue	0 (0)	2 (0)	5 (1)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	10 (3)	0 N/A	17 (4)	25%
<b>Total</b>	<b>1 (0)</b>	<b>3 (4)</b>	<b>27 (28)</b>	<b>0 (0)</b>	<b>4 (6)</b>	<b>6 (7)</b>	<b>1 (0)</b>	<b>1 (2)</b>	<b>26 (33)</b>	<b>0 N/A</b>	<b>69 (80)</b>	<b>100%</b>

## PART SIX

**Table A3.5: Corruption issued referred under s 18 or s 23**

End of period status	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
Abuse of office	0 (0)	1 (0)	3 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	9 (3)	0 N/A	13 (3)	76%
Pervert the course of justice	0 (0)	0 (0)	0 (1)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 N/A	0 (1)	0%
Corruption of any other kind	0 (0)	1 (0)	2 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (0)	0 N/A	4 (0)	24%
<b>Total</b>	<b>0 (0)</b>	<b>2 (0)</b>	<b>5 (1)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>10 (3)</b>	<b>0 N/A</b>	<b>17 (4)</b>	<b>100%</b>

\* Type of corruption based on initial assessment when the corruption allegation is received and is subject to change

**Table A3.6: How referrals under s 18 or s 23 were dealt with**

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
<b>Investigations commenced</b>												
ACLEI Investigation	0 (0)	0 N/A	0 (0)	0%								
Joint investigation	0 (0)	0 (0)	5 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	5 (3)	0 N/A	10 (3)	58%
Managed or overseen investigation	0 (0)	1 (0)	0 (0)	0 N/A	1 (0)	6%						
Unsupervised agency investigation	0 (0)	0 (0)	0 (1)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	2 (0)	0 N/A	2 (1)	12%
Not significant – agency investigation	0 (0)	0 N/A	0 (0)	0%								
<b>Subtotal</b>	<b>0 (0)</b>	<b>1 (0)</b>	<b>5 (1)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>7 (3)</b>	<b>0 N/A</b>	<b>13 (4)</b>	<b>76%</b>
<b>No further action</b>												
Issue is or will be investigated by a law enforcement agency	0 (0)	1 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (0)	0 N/A	2 (0)	12%
Has, is or will be the subject of proceedings before court	0 (0)	1 (0)	0 N/A	1 (0)	6%							
Investigation not warranted	0 (0)	1 (0)	0 N/A	1 (0)	6%							
<b>Subtotal</b>	<b>0 (0)</b>	<b>1 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>3 (0)</b>	<b>0 N/A</b>	<b>4 (0)</b>	<b>24%</b>
<b>Total</b>	<b>0 (0)</b>	<b>2 (0)</b>	<b>5 (1)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>10 (3)</b>	<b>0 N/A</b>	<b>17 (4)</b>	<b>100%</b>

## Part 4: Own-initiative matters (sub-para 201(a)(ii) LEIC Act, s 13 Regulations)

### Own-initiative corruption issues in 2022–23

AFP	1
Home Affairs	1

### Assessment status of referrals

Assessed corruption issue	2
Out of jurisdiction	0
Under assessment	0

### Types of corruption

Abuse of office	2
Pervert the course of justice	0
Corruption of any other kind	0

### How referrals assessed as a corruption issue were dealt with

Investigation commenced	2
No further action	0
Under assessment	0

### Investigation responsibility

ACLEI	0
Joint	1
Other agencies	1

**Table A3.7: Total own-initiative matters in 2022–23**

End of period status	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
Matters under assessment	0 (0)	0 (1)	0 N/A	0 (1)	0%							
Matters assessed as being out of jurisdiction	0 (0)	0 (5)	0 N/A	0 (5)	0%							
Notifications assessed as raising a corruption issue	0 (0)	0 (0)	1 (0)	0 (0)	0 (0)	0 (1)	0 (0)	0 (0)	1 (4)	0 N/A	2 (5)	100%
<b>Total</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>1 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (1)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>1 (10)</b>	<b>0 N/A</b>	<b>2 (11)</b>	<b>100%</b>

## PART SIX

**Table A3.8: Own-initiative matters in 2022–23 – type of corruption**

End of period status	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
Abuse of office	0 (0)	0 (0)	1 (0)	0 (0)	0 (0)	0 (1)	0 (0)	0 (0)	1 (4)	0 N/A	2 (5)	100%
Pervert the course of justice	0 (0)	0 N/A	0 (0)	0%								
Corruption of any other kind	0 (0)	0 N/A	0 (0)	0%								
<b>Total</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>1 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (1)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>1 (4)</b>	<b>0 N/A</b>	<b>2 (5)</b>	<b>100%</b>

\* Type of corruption based on initial assessment when the corruption allegation is received and is subject to change

**Table A3.9: How own-initiative corruption issues under s 38 were dealt with**

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
<b>Investigations commenced</b>												
ACLEI Investigation	0 (0)	0 N/A	0 (0)	0%								
Joint investigation	0 (0)	0 (0)	1 (0)	0 (0)	0 (0)	0 (1)	0 (0)	0 (0)	0 (4)	0 N/A	1 (5)	50%
Managed or overseen investigation	0 (0)	0 N/A	0 (0)	0%								
Unsupervised agency investigation	0 (0)	1 (0)	0 N/A	1 (0)	50%							
Not significant – agency investigation	0 (0)	0 N/A	0 (0)	0%								
<b>Subtotal</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>1 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>1 (4)</b>	<b>0 N/A</b>	<b>2 (5)</b>	<b>100%</b>
<b>No further action</b>												
Issue is or will be investigated by a law enforcement agency	0 (0)	0 N/A	0 (0)	0%								
Has, is or will be the subject of proceedings before court	0 (0)	0 N/A	0 (0)	0%								
Investigation not warranted	0 (0)	0 N/A	0 (0)	0%								
<b>Subtotal</b>	<b>0 (0)</b>	<b>0 N/A</b>	<b>0 (0)</b>	<b>0%</b>								
<b>Total</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>1 (0)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (1)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>1 (4)</b>	<b>0 N/A</b>	<b>2 (5)</b>	<b>100%</b>

## Part 5: ACLEI investigations (sub-para 201(a)(iv) LEIC Act, s 14 LEIC Regulations)

<b>ACLEI corruption issues investigated in 2022–23</b>	<b>87</b>
Home Affairs	50
AFP	19
ACIC	10
Other	8

### Type of corruption

Abuse of office	83
Pervert the course of justice	1
Corruption of any other kind	3

**Table A3.10: Corruption issues investigated by ACLEI in 2022–23 under sub-para 26(1), including joint investigations and investigations carried forward from previous years – by type of corruption**

End of period status	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
Abuse of office	0 (0)	9 (9)	18 (21)	0 (0)	0 (0)	5 (6)	0 (0)	3 (4)	48 (64)	0 N/A	83 (104)	95%
Pervert the course of justice	0 (0)	0 (0)	1 (1)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 N/A	1 (1)	1%
Corruption of any other kind	0 (0)	1 (0)	0 (2)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	2 (7)	0 N/A	3 (9)	1%
<b>Total</b>	<b>0 (0)</b>	<b>10 (9)</b>	<b>19 (24)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>5 (6)</b>	<b>0 (0)</b>	<b>3 (4)</b>	<b>50 (71)</b>	<b>0 N/A</b>	<b>87 (114)</b>	<b>100%</b>

\* Type of corruption based on initial assessment when the corruption allegation is received and is subject to change

**Table A3.11: Corruption issues investigations finalised in 2022–23**

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
s 55 Report to Minister	0 (0)	5 (0)	7 (2)	0 (0)	0 (0)	1 (0)	0 (0)	0 (0)	18 (11)	0 (N/A)	31 (13)	51%
s 42 Reconsideration – investigation discontinued	0 (0)	4 (0)	2 (7)	0 (0)	0 (0)	0 (1)	0 (0)	1 (1)	23 (10)	0 (N/A)	30 (19)	49%
<b>Total</b>	<b>0 (0)</b>	<b>9 (0)</b>	<b>9 (9)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>1 (1)</b>	<b>0 (0)</b>	<b>1 (1)</b>	<b>41 (21)</b>	<b>0 (N/A)</b>	<b>61 (32)</b>	<b>100%</b>

## PART SIX

### Part 6: Referrals to another agency (sub-para 201(a)(v) LEIC Act, s 15 LEIC Regulations)

<b>Referrals to other agencies</b>	<b>31</b>
Home Affairs	15
AFP	11
Other	5
<b>Type of corruption</b>	
Abuse of office	27
Pervert the course of justice	1
Corruption of any other kind	3

**Table A3.12: Corruption issues referred by the Integrity Commissioner to a government agency for investigation in 2022–23 under sub-para 26(1)(b) or sub-para 26(1)(c) – type of corruption**

End of period status	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
Abuse of office	0 (0)	1 (0)	10 (6)	0 (0)	0 (0)	0 (2)	1 (0)	1 (1)	14 (14)	0 (N/A)	27 (23)	87%
Pervert the course of justice	0 (0)	0 (0)	1 (3)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (N/A)	1 (3)	3%
Corruption of any other type	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (1)	0 (0)	0 (0)	1 (4)	0 (N/A)	3 (5)	10%
<b>Total</b>	<b>0 (0)</b>	<b>3 (0)</b>	<b>11 (9)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>0 (3)</b>	<b>1 (0)</b>	<b>1 (1)</b>	<b>15 (18)</b>	<b>0 (N/A)</b>	<b>31 (31)</b>	<b>100%</b>

\* Type of corruption based on initial assessment when corruption allegation is received and is subject to change

**Table A3.13: How corruption issues referred by the Integrity Commissioner to a government agency for investigation were dealt with**

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	DAFF	Home Affairs	OSI	Total	% of total
s 42 Reconsideration – investigation discontinued	0 (0)	0 (0)	0 (4)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	20 (41)	0 (N/A)	20 (45)	27%
s 66 Final report received from commonwealth agency	0 (0)	1 (1)	11 (20)	0 (0)	0 (1)	2 (0)	1 (0)	4 (7)	36 (60)	0 (N/A)	55 (89)	73%
<b>Total</b>	<b>0 (0)</b>	<b>1 (1)</b>	<b>11 (24)</b>	<b>0 (0)</b>	<b>0 (1)</b>	<b>2 (0)</b>	<b>1 (0)</b>	<b>4 (7)</b>	<b>56 (101)</b>	<b>0 (N/A)</b>	<b>75 (134)</b>	<b>100%</b>

## **ACLEI corruption issues investigated (sub-para 201(a)(vi) LEIC Act, s 16 LEIC Regulations)**

Section 16 of the LEIC Regulations requires particulars of completed investigations of corruption issues relating to ACLEI staff to be published in the Integrity Commissioner's annual report. There were no investigations of corruption issues relating to ACLEI staff completed in 2022–23.

## **Special reports to the Minister**

There were no special reports provided to the Minister in 2022–23.

## Appendix 4

### Resources and expenses for outcome

Table A4.1: ACLEI resource statement 2022–23

	Actual available appropriation for 2022–23 \$'000	Payments made 2022–23 \$'000	Balance remaining 2022–23 \$'000
	(a)	(b)	(a)–(b)
<b>Departmental</b>			
<b>Annual appropriations – ordinary annual services <sup>1</sup></b>			
Prior-year appropriations available	6,957	6,957	-
Departmental appropriation	32,733	18,107	14,626
Prior-year Departmental capital budget available	458	458	-
Departmental capital budget	19,453	6,018	13,435
s74 External Revenue	126	126	-
Adjustment to relevant agency receipts <sup>2</sup>	2,128	-	2,128
<b>Total ordinary annual services (A)</b>	<b>61,855</b>	<b>31,666</b>	<b>30,189</b>
<b>Annual appropriations – other services – non-operating</b>			
Prior-year appropriations available	2,777	2,256	521
Equity injection <sup>3</sup>	2,380	-	2,380
<b>Total other services (B)</b>	<b>5,157</b>	<b>2,256</b>	<b>2,901</b>
<b>Total departmental annual appropriations and payments (A + B)</b>	<b>67,012</b>	<b>33,922</b>	<b>33,090</b>
<b>Total resourcing and payments for ACLEI <sup>4</sup></b>	<b>67,012</b>	<b>33,922</b>	<b>33,090</b>

<sup>1</sup> Appropriation Act (No. 1) 2022–23. Also includes prior-year departmental appropriations and s 74 retained revenue receipts.

<sup>2</sup> Adjustment to reflect receipts received during the year from other sources and returned to the OPA

<sup>3</sup> Appropriation Act (No. 2) 2022–23 (Equity Injection).

<sup>4</sup> Total payments have been adjusted for GST.



## Appendix 5

### Developments in ACLEI's operating environment

#### Legislation and government policy

The most significant legislative development to impact on ACLEI in 2022–23 was the *National Anti-Corruption Commission Act 2022*. ACLEI engaged closely with the Attorney-General's Department (AGD) on the government's proposal to establish the National Anti-Corruption Commission, including providing a senior lawyer to participate in AGD's NACC taskforce to assist with the legislation. The government's commitment to a National Anti-Corruption Commission directed ACLEI's focus for 2022–23, with ACLEI working with AGD to implement the NACC.

Table A5.1 shows legislative changes and policy development of bills which affected ACLEI in 2022–23.

**Table A5.1: Legislative changes and policy development of bills which affected ACLEI in 2022–23**

Legislation	Commencement date	Relevance	Description
<b>Legislation passed during 2022–23</b>			
<i>National Anti-Corruption Commission (Consequential and Transitional Provisions) Act 2022</i>	12 December 2022	An Act to deal with consequential and transitional matters arising from the enactment of the <i>National Anti-Corruption Commission Act 2022</i>	Provides provisions to deal with the transitional arrangements and consequential matters that arise from the machinery of government changes from the closure of ACLEI and the commencement of the Commission.
<i>National Anti-Corruption Commission Act 2022</i>	12 December 2022	Established the National Anti-Corruption Commission	Created a new Commonwealth anti-corruption agency, the National Anti-Corruption Commission. The Commission is an independent agency that can investigate and report on serious or systemic corruption in the Commonwealth public sector, refer evidence of criminal corrupt conduct for prosecution, and undertake education and prevention activities regarding corruption.

Legislation	Commencement date	Relevance	Description
Public Interest Disclosure Amendment (Review) Bill 2022	19 June 2023	Relevant to Information sharing and protection of whistle-blowers. This will also be relevant to which disclosures may be appropriately investigated by the National Anti-Corruption Commission.	<p>The Bill implements recommendations of the 2016 review of the <i>Public Interest Disclosure Act 2013</i> (PID Act) by Mr Philip Moss AM (Moss Review), as well as core recommendations from other inquiries into the PID Act's operation.</p> <p>The provisions of the Bill make it easier for agencies to administer the PID scheme, facilitate information sharing to ensure disclosures can be investigated by the most appropriate agency, provide increased protections for disclosers and enhance oversight of the scheme by the Office of the Commonwealth Ombudsman and the Inspector-General of Intelligence and Security. It will be easier for a disclosure to be investigated under another law (including the <i>National Anti-Corruption Commission Act 2022</i>).</p>

## Relevant decisions of courts and administrative tribunals

Case law relating to ACLEI and other bodies with similar functions helped to inform the way ACLEI interpreted and applied legislation. Accordingly, ACLEI monitored relevant decisions of courts and tribunals to guide its administration of the LEIC Act and the use of powers established by it and other Acts. There were no decisions relevant to ACLEI in 2022–23.

## Australian Public Service Net Zero 2030

As part of the reporting requirements under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*, and in line with the Government's APS Net Zero 2030 policy, all non-corporate Commonwealth entities and corporate Commonwealth entities are required to report on the emissions from their operations, commencing with public reporting of 2022–23 emissions in entity annual reports.

Entities will be able to consistently measure and report on their emissions using tools and guidance developed by the APS Net Zero Unit in the Department of Finance. To ensure consistency, reporting entities are required to use the emissions reporting tool provided by Finance to calculate their emissions. See [APS Net Zero Emissions by 2030](#) for the latest guidance and emissions reporting tool or contact [APSNetZero@finance.gov.au](mailto:APSNetZero@finance.gov.au) for access to the APS Net Zero GovTEAMS community.

ACLEI's Greenhouse Gas Emissions Inventory is provided at Table A5.2.

## PART SIX

**Table A5.2: Greenhouse Gas Emissions Inventory**

<b>Emission source</b>	<b>Scope 1 kg CO2-e</b>	<b>Scope 2 kg CO2-e</b>	<b>Scope 3 kg CO2-e</b>	<b>Total kg CO2-e</b>
Electricity	0	87	0	87
Natural gas	0	0	0	0
Fleet vehicles	0	0	0	0
Domestic flights	0	0	102,914	102,914
Other energy	0	0	0	0
<b>Total kg CO2-e</b>	<b>0</b>	<b>87</b>	<b>102,914</b>	<b>103,001</b>

CO2-e = carbon dioxide equivalent

## Appendix 6

### Staffing information

The following tables provide information about ACLEI's workforce at 30 June 2023 and 30 June 2022. Figures in this appendix do not include staff seconded to ACLEI from non-APS agencies.

**Table A6.1: All employees (ongoing and non-ongoing) at 30 June 2023 by full-time, part-time and casual status. Includes the Integrity Commissioner as non-ongoing**

	Ongoing	Non-ongoing	Total
Casual	0	0	0
Full-time	133	9	142
Part-time	10	2	12
<b>Total</b>	<b>143</b>	<b>11</b>	<b>154</b>

**Table A6.2: All employees (ongoing and non-ongoing) at 30 June 2022 by full-time, part-time and casual status. Includes the Integrity Commissioner as non-ongoing**

	Ongoing	Non-ongoing	Total
Casual	0	2	2
Full-time	87	3*	90
Part-time	7	0	7
<b>Total</b>	<b>94</b>	<b>5</b>	<b>99</b>

\* In earlier years, the Integrity Commissioner was reported as an ongoing-employee. From 2020–21 the Integrity Commissioner has been included as a non-ongoing employee, being a full-time statutory appointee.

**Table A6.3: All ongoing employees at 30 June 2023 by full-time, part-time status, gender and location**

	Male			Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	27	0	27	13	1	14	0	0	0	0	0	0	0	0	0	41
VIC	8	0	8	9	2	11	0	0	0	0	0	0	0	0	0	19
ACT	35	1	36	36	5	41	0	0	0	0	0	0	0	0	0	77
QLD	0	0	0	3	0	3	0	0	0	0	0	0	0	0	0	3
WA	1	1	2	1	0	1	0	0	0	0	0	0	0	0	0	3
<b>Total</b>	<b>71</b>	<b>2</b>	<b>73</b>	<b>62</b>	<b>8</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>143</b>

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**Table A6.4: All ongoing employees at 30 June 2022 by full-time and part-time status, gender and location**

	Male			Female			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	
NSW	24	0	24	9	1	10	34
VIC	1	0	1	1	0	1	2
ACT	28	1	29	24	5	29	58
<b>Total</b>	<b>53</b>	<b>1</b>	<b>54</b>	<b>34</b>	<b>6</b>	<b>40</b>	<b>94</b>

**Table A6.5: All non-ongoing Public Service Act employees at 30 June 2023 by full-time, part-time and casual status, gender and location**

	Male				Female				Non-binary				Prefers not to answer				Uses a different term				Total	
	Full-time	Part-time	Casual	Total	Full-time	Part-time	Casual	Total	Full-time	Part-time	Casual	Total	Full-time	Part-time	Casual	Total	Full-time	Part-time	Casual	Total		
NSW	0	0	0	0	3	0	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	3
VIC	1	0	0	1	2	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	3
ACT	1	0	0	1	3	1	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	5
<b>Total</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>8</b>	<b>1</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>

**Table A6.6: All non-ongoing employees at 30 June 2022 by full-time, part-time and casual status, gender and location**

	Male				Female				Total
	Full-time	Part-time	Casual	Total male	Full-time	Part-time	Casual	Total female	
NSW	0	0	0	0	1	0	0	1	1
VIC	0	0	0	0	0	0	0	0	0
ACT	1	0	1	2	1	0	1	2	4
<b>Total</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>5</b>

**Table A6.7: All ongoing Public Service Act employees at 30 June 2023 by full-time, part-time and casual status, gender and classification**

	Male			Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 2	1	0	1	1	0	1	0	0	0	0	0	0	0	0	0	2
SES 1	3	0	3	3	0	3	0	0	0	0	0	0	0	0	0	6
EL 2	11	0	11	9	0	9	0	0	0	0	0	0	0	0	0	20
EL 1	32	0	32	19	4	23	0	0	0	0	0	0	0	0	0	55
APS 6	13	0	13	19	2	21	0	0	0	0	0	0	0	0	0	34
APS 5	3	1	4	5	1	6	0	0	0	0	0	0	0	0	0	10
APS 4	8	1	9	6	1	7	0	0	0	0	0	0	0	0	0	16
APS 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>71</b>	<b>2</b>	<b>73</b>	<b>62</b>	<b>8</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>143</b>

**Table A6.8: All ongoing Public Service Act employees at 30 June 2022 by full-time and part-time status, gender and classification**

	Male			Female			Total
	Full-time	Part-time	Total male	Full-time	Part-time	Total female	
SES 1	1	0	1	1	0	1	2
EL 2	8	0	8	4	1	5	13
EL 1	22	1	23	7	2	9	32
APS 6	14	0	14	15	2	17	31
APS 5	4	0	4	4	0	4	8
APS 4	3	0	3	3	1	4	7
APS 3	1	0	1	0	0	0	1
<b>Total</b>	<b>53</b>	<b>1</b>	<b>54</b>	<b>34</b>	<b>6</b>	<b>40</b>	<b>94</b>

## PART SIX

**Table A6.9: All non-ongoing Public Service Act employees at 30 June 2023 by full-time, part-time and casual status, gender and classification**

	Male				Female				Non-binary				Prefers not to answer				Uses a different term				Total
	Full-time	Part-time	Casual	Total	Full-time	Part-time	Casual	Total	Full-time	Part-time	Casual	Total	Full-time	Part-time	Casual	Total	Full-time	Part-time	Casual	Total	
SES 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EL 2	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0
EL 1	1	1	0	2	2	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	4
APS 6	0	0	0	0	2	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	2
APS 5	0	0	0	0	2	1	0	3	0	0	0	0	0	0	0	0	0	0	0	0	3
APS 4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
APS 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>7</b>	<b>1</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>

**Table A6.10: All non-ongoing Public Service Act employees at 30 June 2022 by full-time, part-time and casual status, gender and classification**

	Male				Female				Total
	Full-time	Part-time	Casual	Total male	Full-time	Part-time	Casual	Total female	
EL 2	1	0	0	1	0	0	0	0	1
APS 5	0	0	0	0	1	0	0	1	1
APS 4	0	0	1	1	0	0	1	1	2
<b>Total</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>4</b>

**Table A6.11: All ongoing and non-ongoing Public Service Act employees at 30 June 2023 by full-time, part-time and casual status and classification**

	Ongoing			Non-ongoing				Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Casual	Total non-ongoing	
SES 2	2	0	2	0	0	0	0	2
SES 1	6	0	6	0	0	0	0	6
EL 2	20	0	20	1	0	0	1	21
EL 1	51	4	55	3	1	0	4	59
APS 6	32	2	34	2	0	0	2	36
APS 5	8	2	10	2	1	0	3	13
APS 4	14	2	16	0	0	0	0	16
APS 3	0	0	0	0	0	0	0	0
<b>Total</b>	<b>133</b>	<b>10</b>	<b>143</b>	<b>8</b>	<b>2</b>	<b>0</b>	<b>10</b>	<b>153</b>

**Table A6.12: All ongoing and non-ongoing Public Service Act employees at 30 June 2022 by full-time, part-time and casual status and classification**

	Ongoing			Non-ongoing				Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Casual	Total non-ongoing	
SES 1	2	0	2	0	0	0	0	2
EL 2	14	1	15	1	0	0	1	16
EL 1	32	3	35	0	0	0	0	35
APS 6	24	2	26	0	0	0	0	26
APS 5	7	0	7	1	0	0	1	8
APS 4	6	1	7	0	0	2	2	9
APS 3	1	0	1	0	0	0	0	1
<b>Total</b>	<b>86</b>	<b>7</b>	<b>93</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>4</b>	<b>97</b>

## PART SIX

**Table A6.13: All Indigenous employees (ongoing and non-ongoing) at 30 June 2023**

	Total
Ongoing	1
Non-ongoing	0
<b>Total</b>	<b>1</b>

**Table A6.14: All Indigenous employees (ongoing and non-ongoing) at 30 June 2022**

	Total
Ongoing	2
Non-ongoing	0
<b>Total</b>	<b>2</b>

**Table A6.15: Employment arrangements at 30 June 2023**

	Statutory office holders	SES	Non-SES	Total
Remuneration Tribunal (Remuneration and Allowances for Holders of Full-time Public Office) Determination 2022	1	0	0	1
Subsection 24(1) of the <i>Public Service Act 1999</i>	0	7	0	7
ACLEI Enterprise Agreement 2017–20 and the Australian Commission for Law Enforcement Integrity Non-SES Employees Determination 2020/1	0	0	146	146
<b>Total</b>	<b>1</b>	<b>7</b>	<b>146</b>	<b>154</b>

**Table A6.16: Employment salary ranges by classification level (minimum/maximum) at 30 June 2023**

	Minimum salary	Maximum salary
SES 3	N/A	N/A
SES 2	\$250,000	\$275,000
SES 1	\$200,904	\$221,548
EL 2	\$131,070	\$147,689
EL 1	\$106,617	\$129,566
APS 6	\$83,659	\$96,023
APS 5	\$77,397	\$82,070
APS 4	\$69,388	\$75,344
APS 3	\$62,261	\$67,198
APS 2	\$54,664	\$60,615
APS 1	\$48,300	\$53,382
Other*		\$484,050
Minimum/Maximum range	\$48,300	\$275,000

\* Other is the Integrity Commissioner and total remuneration as determined by the Remuneration Tribunal.

# PART SEVEN

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## Acronyms and abbreviations used in this report

ABF	Australian Border Force
ACC	Australian Crime Commission
ACCC	Australian Competition and Consumer Commission
ACIC	Australian Criminal Intelligence Commission
ACLEI	Australian Commission for Law Enforcement Integrity
AFP	Australian Federal Police
ANAO	Australian National Audit Office
APRA	Australian Prudential Regulation Authority
APS	Australian Public Service
APSC	Australian Public Service Commission
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
AUSTRAC	Australian Transaction Reports and Analysis Centre
CDPP	Commonwealth Director of Public Prosecutions
DAFF	Department of Agriculture, Fisheries and Forestry
EL	Executive Level
LEIC Act	<i>Law Enforcement Integrity Commissioner Act 2006</i>
LEIC Regulations	Law Enforcement Integrity Commissioner Regulations 2017
LSDs	Legal Services Directions 2017
N/A	not applicable
NACC	National Anti-Corruption Commission
NACC Act	<i>National Anti-Corruption Commission Act 2022</i>
OSI	Office of the Special Investigator
PBS	Portfolio Budget Statements
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PJC-ACLEI	Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity
SES	Senior Executive Service
SMEs	small and medium enterprises
WHS	work health and safety

## Glossary

Term	Meaning
Corruption issue	<p>The term <i>corruption issue</i> is defined in s 7 of the LEIC Act. A corruption issue is an issue of whether a person who is (or has been) a staff member of a law enforcement agency, is engaging, has (or may have) engaged, or will (or may at any time in the future) engage in corrupt conduct.</p> <p>The term <i>engages in corrupt conduct</i> is defined in s 6. A staff member of a law enforcement agency engages in corrupt conduct if the person, while a staff member of the agency, engages in conduct that:</p> <ul style="list-style-type: none"> <li>» involves or is for the purpose of abusing their office as a staff member</li> <li>» perverts or is for the purpose of perverting the course of justice, or</li> <li>» having regard to the staff member's duties and powers, involves or is for the purpose of corruption of any other kind.</li> </ul> <p>For staff members of the ACCC, APRA, ASIC and the ATO, the conduct in question must relate to the performance of a law enforcement function of that agency (see below).</p> <p>Not every corruption issue that is notified or referred to the Integrity Commissioner will have substance or meet the requirements of the LEIC Act in relation to ACLEI's jurisdiction.</p> <p>A corruption investigation may incorporate multiple corruption issues.</p>
Law enforcement agency (also referred to as LEIC Act agencies or partner agencies)	<p>The term <i>law enforcement agency</i> is defined in s 5 of the LEIC Act. In 2022–23, these agencies were:</p> <ul style="list-style-type: none"> <li>» Australian Criminal Intelligence Commission (ACIC)</li> <li>» Australian Federal Police (AFP) (including ACT Policing)</li> <li>» Australian Transaction Reports and Analysis Centre (AUSTRAC)</li> <li>» Department of Home Affairs (including the Australian Border Force (ABF))</li> <li>» prescribed aspects of the Department of Agriculture, Fisheries and Forestry (DAFF).</li> </ul> <p>The law enforcement functions of the following agencies are also included in the definition of law enforcement agency:</p> <ul style="list-style-type: none"> <li>» Australian Competition and Consumer Commission (ACCC)</li> <li>» Australian Prudential Regulation Authority (APRA)</li> <li>» Australian Securities and Investments Commission (ASIC)</li> <li>» Australian Taxation Office (ATO)</li> <li>» Office of the Special Investigator (OSI).</li> </ul>
Law enforcement function	<p><i>Law enforcement function</i> is defined in s 5 of the LEIC Act and relates to the investigation into:</p> <ul style="list-style-type: none"> <li>» whether an offence has been committed against the law of the Commonwealth; or</li> <li>» whether there has been a contravention of a law of the Commonwealth to which a civil penalty proceeding may be brought.</li> </ul>

## PART 7

Term	Meaning
Notification (of a corruption issue to the Integrity Commissioner)	Under s 19 of the LEIC Act, the head of a law enforcement agency was required to notify the Integrity Commissioner of information or allegations relating to a corruption issue as soon as practicable after they became aware of the information or allegation. For the purposes of reporting, ACLEI took a notification to have been made when it was received by ACLEI.
Referral (of a corruption issue to the Integrity Commissioner)	ACLEI could receive a referral of an allegation or information from any source, other than as a notification from the head of a law enforcement agency, under s 18 and s 23 of the LEIC Act. For the purposes of reporting, ACLEI took a referral to have been made when it was received by ACLEI.
Staff members of law enforcement agencies	<p>Staff members of law enforcement agencies are people who are subject to the Integrity Commissioner’s jurisdiction by virtue of their employment or position with a law enforcement agency. Section 10 of the LEIC Act defines the term in relation to each agency under ACLEI’s jurisdiction.</p> <p>For the Department of Agriculture, Fisheries and Forestry, the term is further defined in s 7 of the LEIC Regulations. This section of the LEIC Regulations also defines staff members of the following agencies whose conduct (as it relates to the performance of a law enforcement function) falls within ACLEI’s jurisdiction:</p> <ul style="list-style-type: none"> <li>» Australian Competition and Consumer Commission (ACCC)</li> <li>» Australian Prudential Regulation Authority (APRA)</li> <li>» Australian Securities and Investments Commission (ASIC)</li> <li>» Australian Taxation Office (ATO)</li> <li>» Office of the Special Investigator (OSI).</li> </ul> <p>In some cases, contractors or appointees who are authorised to exercise certain statutory powers may be considered ‘staff members’.</p>

## Compliance index

This guide records compliance with the requirements for annual reports as provided by sub-para 17AJ(d) of the PGPA Rule 2014 and the LEIC Act and LEIC Regulations.

### PGPA Rule 2014 – Requirements for annual reports

PGPA Rule reference	Section / page	Description	Requirement
<b>17AD(g)</b>	<b>Letter of transmittal</b>		
17AI	i	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
<b>17AD(h)</b>	<b>Aids to access</b>		
17AJ(a)	iii–v	Table of contents (print only).	Mandatory
17AJ(b)	145–153	Alphabetical index (print only).	Mandatory
17AJ(c)	134	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	137–144	List of requirements.	Mandatory
17AJ(e)	ii	Details of contact officer.	Mandatory
17AJ(f)	ii	Entity's website address.	Mandatory
17AJ(g)	ii	Electronic address of report.	Mandatory
<b>17AD(a)</b>	<b>Review by accountable authority</b>		
17AD(a)	2–3	A review by the accountable authority of the entity.	Mandatory
<b>17AD(b)</b>	<b>Overview of the entity</b>		
17AE(1)(a)(i)	8–15	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	18–20	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	8, 42–43	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	43	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	18, 42	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(ii)	18, 42	Position title of the accountable authority or each member of the accountable authority.	Mandatory

## PART 7

PGPA Rule reference	Section / page	Description	Requirement
17AE(1)(aa)(iii)	18	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	N/A	An outline of the structure of the portfolio of the entity.	Portfolio departments mandatory
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
<b>17AD(c)</b>	<b>Report on the performance of the entity</b>		
	<b>Annual Performance Statements</b>		
17AD(c)(i); 16F	42–64	Annual Performance Statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
<b>17AD(c)(ii)</b>	<b>Report on financial performance</b>		
17AF(1)(a)	84–104	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	120 -121	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.
<b>17AD(d)</b>	<b>Management and accountability</b>		
	<b>Corporate governance</b>		
17AG(2)(a)	42	Information on compliance with section 10 (fraud systems).	Mandatory
17AG(2)(b)(i)	42	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	42	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory

PGPA Rule reference	Section / page	Description	Requirement
17AG(2)(b)(iii)	42	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	68	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d)–(e)	N/A	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to noncompliance with Finance law and action taken to remedy noncompliance.	If applicable, Mandatory
<b>Audit Committee</b>			
17AG(2A)(a)	69	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	69	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	69	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	69	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	69	The remuneration of each member of the entity's audit committee.	Mandatory
<b>External scrutiny</b>			
17AG(3)	71–73	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	73, 122–123	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	73	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	N/A	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
<b>Management of human resources</b>			
17AG(4)(a)	73, 78	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory

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PGPA Rule reference	Section / page	Description	Requirement
17AG(4)(aa)	Appendix 6	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on fulltime employees; (b) statistics on parttime employees; (c) statistics on gender (d) statistics on staff location.	Mandatory
17AG(4)(b)	Appendix 6	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: » Statistics on staffing classification level; » Statistics on fulltime employees; » Statistics on parttime employees; » Statistics on gender; » Statistics on staff location; » Statistics on employees who identify as Indigenous.	Mandatory
17AG(4)(c)	75, 130	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the Public Service Act 1999.	Mandatory
17AG(4)(c)(i)	75, 130	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	74, 130	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	75	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory
<b>Assets management</b>			
17AG(5)	N/A	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory

PGPA Rule reference	Section / page	Description	Requirement
	<b>Purchasing</b>		
17AG(6)	79–80	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory
	<b>Reportable consultancy contracts</b>		
17AG(7)(a)	80–81	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	80	A statement that “During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]”.	Mandatory
17AG(7)(c)	80–81	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	80	A statement that “Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.”	Mandatory
	<b>Reportable non-consultancy contracts</b>		
17AG(7A)(a)	81	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	81	A statement that “Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.”	Mandatory

## PART 7

PGPA Rule reference	Section / page	Description	Requirement
17AD(daa)		Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	
17AGA	80–81	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
<b>Australian National Audit Office Access Clauses</b>			
17AG(8)	N/A	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
<b>Exempt contracts</b>			
17AG(9)	N/A	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
<b>Small business</b>			
17AG(10)(a)	80	A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”	Mandatory
17AG(10)(b)	79, 80	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	N/A	If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory
<b>Financial statements</b>			
17AD(e)	84–104	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory

PGPA Rule reference	Section / page	Description	Requirement
	<b>Executive remuneration</b>		
17AD(da)	76–77	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 23 of the Rule.	Mandatory
<b>17AD(f)</b>	<b>Other mandatory information</b>		
17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory
17AH(1)(a)(ii)	82	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	N/A	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, Mandatory
17AH(1)(c)	79	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	82	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	82	Correction of material errors in previous annual report.	If applicable, mandatory
17AH(2)	144	Information required by other legislation.	Mandatory

## PART 7

### LEIC Act and LEIC Regulations requirements

LEIC Act reference	Description	Section/ page
s 201(a)	Statistics pursuant to LEIC Regulations s 11 to 15	Appendix 3
s 201(a)	ACLEI corruption issues investigated (LEIC Regulation s 16)	119
s 201(a)	Information certificates under s 149 of the LEIC Act (LEIC Regulations s 17)	None
s 201(b)	Investigations raising significant issues or developments in law enforcement	None
s 201(c)	Patterns and trends in, and the nature and scope of, corruption in law enforcement agencies and other Commonwealth government agencies that have law enforcement functions, that have come to the attention of the Integrity Commissioner in the performance of his or her functions	32-33
s 201(d)(i)	Recommendations for changes to laws of the Commonwealth	None
s 201(d)(ii)	Recommendations for changes to administrative practices of Commonwealth Government agencies	24-31
s 201(e)	Prosecutions	31
s 201(f)	Confiscation proceedings	None
s 201(g)(i)	ADJR Act applications determined or otherwise disposed of	None
s 201(g)(ii)	Other court proceedings involving the Integrity Commissioner determined or otherwise disposed of	None
s 204	Special reports to the Minister, made under s 204 of the LEIC Act	119

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