



Case study

Operation Bannister

Operation Bannister investigated a family connection between a Home Affairs employee and a contracted service provider.

Operation Bannister was a joint investigation commenced by the Australian Commission for Law Enforcement Integrity (ACLEI) and the Department of Home Affairs (Home Affairs), and finalised after 1 July 2023 by the National Anti-Corruption Commission.

The 2 former Home Affairs employees referred to in this case study, ‘Ms Brown’ and ‘Mr Delaney’, are pseudonyms.

Conflicts of interest in procurement and contracting

Home Affairs engaged Paladin Holdings to manage refugee garrison services on Manus Island, Papua New Guinea, between 2017 and 2019. Paladin Holdings’s founding director and (originally) sole shareholder, Mr Craig Thrupp, was a close relative of a Home Affairs employee, Ms Brown. Ms Brown was the partner of Mr Delaney, who was also an employee of Home Affairs.

Mr Delaney retired from Home Affairs in 2013 and had no formal relationship with Paladin Holdings until he joined its board of directors in May 2019.

Referral

In September 2019, Home Affairs informed ACLEI about media reporting alleging a former Senior Executive Service (SES) officer of the Department of Immigration and Citizenship (now Department of Home Affairs) had helped Paladin Holdings secure a contract with Home Affairs to manage refugee garrison services on Manus Island. Home Affairs indicated an internal review had not identified any corrupt conduct associated with the tender, procurement or contract management process of the garrison services contract with Paladin Holdings.

Home Affairs informed ACLEI it had identified another former employee (an Executive Level 1 officer), Ms Brown, who had a connection to Paladin Holdings. Home Affairs could find no records showing Ms Brown had declared any conflict of interest related to her connection to Paladin Holdings via her relationship with Mr Thrupp.

In October 2019, ACLEI began an own-initiative investigation into Ms Brown's undeclared potential conflict of interest and referred the matter to Home Affairs for investigation without ACLEI oversight.

In January 2020, Home Affairs advised ACLEI it had identified payments to Ms Brown from Paladin Holdings.

In March 2020, following receipt of the additional information in January 2020, Operation Bannister commenced as a joint investigation between ACLEI and Home Affairs.

What happened

Ms Brown joined Home Affairs in January 2006. In late 2011 or early 2012 she began a personal relationship with Mr Delaney, who was then an SES officer in Home Affairs.

During 2017, Ms Brown verbally informed her supervisor that Mr Thrupp, a close relative, was involved in contract negotiation with the Australian Border Force. During the tender process between Home Affairs and Paladin Holdings, Paladin Holdings declared to Home Affairs that Mr Thrupp had a close relative who was an employee of Home Affairs, Ms Brown.

Between May and July 2017, Ms Brown received payments from Paladin Holdings of approximately \$215,000, to help her cover the mortgage on a unit in Canberra she had purchased in 1997. In 2018, Ms Brown and Mr Thrupp engaged interior designers to renovate the unit, with most costs paid by Mr Thrupp.

In May 2018, Mr Thrupp (personally or through Paladin Holdings) funded the purchase of another unit in the same complex in which Ms Brown had purchased her unit in 1997, in the names of Ms Brown and Mr Delaney. Between July 2018 and December 2019, the unit was leased to Paladin Holdings. Staff of Paladin Holdings reportedly used the unit as accommodation during work trips to Canberra.

The tender and procurement process through which Home Affairs engaged Paladin Holdings occurred between August 2017 and February 2018. At the time of the procurement process, Ms Brown had no responsibilities connected to the tender or contract decision. She was not in a position to influence the outcome and there is no evidence she was involved in the process or shared any information relevant to the tender. Mr Delaney used his experience and publicly available information to mentor and guide Paladin Holdings through the tender and procedure process. He received a \$5,000 bonus from Paladin Holdings for his assistance.

In April 2018 Ms Brown took long-service leave until she retired from Home Affairs in January 2019.

Outcome

Operation Bannister found that Ms Brown did not abuse her office as a public official with Home Affairs. However, it highlights how perceived conflicts of interest can arise even where no actual conflict exists.

Ms Brown was employed by Home Affairs at the time Paladin Holdings was engaged, but she worked in an area unrelated to procurement or tender processes. There is no evidence she had any involvement in the procurement process or provided Paladin Holdings with information relevant to the tender.

Ms Brown did not fail to declare a conflict of interest, because no conflict of interest existed.

The investigation did identify that Ms Brown may not have reported certain changes in circumstances to the Australian Government Security Vetting Agency, including changes to her address, relationship status and financial circumstances. However, her explanation for these non-disclosures was considered understandable given the nature and timing of the changes, and the non-disclosures were found not to be intentional, dishonest or corrupt.

Corruption prevention takeaways

Operation Bannister highlights that whether a conflict of interest exists requires careful identification of the role and functions of the decision-maker. Because Ms Brown had no responsibilities connected to the tender and was not in any position to influence the outcome and worked in a different area of the agency, there was no conflict between her official duties and her private interests and relationships.

Operation Bannister shows that perceptions of corruption can arise in Commonwealth procurement, even when there is in fact no conflict of interest and corrupt conduct. Even although an official is not involved in procurement or contracting decisions, a relationship with a contractor may give rise to a suspicion. The best antidote to this is the documented disclosure of all relevant relationships. Both Ms Brown and Paladin Holdings took some steps to disclose their relationships: Paladin Holdings declared the connection between its director and a Home Affairs employee, and Ms Brown verbally informed her supervisor about a family relationship with a person involved in contract negotiations with Home Affairs. While these actions were positive, informal or incomplete disclosure can still leave uncertainty about what was disclosed, to whom, and what (if any) management steps were taken. The absence of clearly documented disclosures increases the risk of unfounded suspicion.

Further information

- [Operation Bannister Investigation Report](#)
- [Conflicts of interest and corrupt conduct: A guide for public officials](#)
- To report a corruption issue, see [report corrupt conduct](#).