

# Annual Report 2022/23

## Acknowledgement

IBAC acknowledges the Traditional Custodians of the lands on which we work and pays respect to Elders past, present and emerging. We recognise and celebrate the diversity of Aboriginal and Torres Strait Islander peoples and their ongoing cultures and connections to the lands and waters of Victoria.

## Independent Broad-based Anti-corruption Commission

An accessible version and other formats of this document can be found on our website [www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)

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## We value your feedback

We welcome feedback on our annual report, particularly about its readability and usefulness. Please send your feedback to [communications@ibac.vic.gov.au](mailto:communications@ibac.vic.gov.au)



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# Responsible body's declaration

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In accordance with the *Financial Management Act 1994* (Vic), the *Independent Broad-based Anti-corruption Commission Act 2011* (Vic) and the *Public Interest Disclosures Act 2012* (Vic), I am pleased to present the Independent Broad-based Anti-corruption Commission's annual report for the year ending 30 June 2023.



**Stephen Farrow**  
Acting Commissioner  
Independent Broad-based Anti-corruption Commission

7 September 2023

## About this report

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This Independent Broad-based Anti-corruption Commission (IBAC) annual report describes operational and financial performance, achievements and work undertaken in 2022/23 to prevent and expose public sector corruption and police misconduct.

This report is an essential accountability document for IBAC. It is one way we report on our activities and results to our stakeholders: the Parliament of Victoria, Victoria Police, public sector leaders and employees, and the Victorian community.

We report in accordance with the *Financial Management Act 1994* (FM Act), the *Independent Broad-based Anti-corruption Commission Act 2011* (IBAC Act) and the *Public Interest Disclosures Act 2012* (PID Act).

For this reporting period, we have improved the structure of the report. These improvements include:

- applying a new structure to set out police oversight work separately from public sector oversight
- implementing recommendations 15 and 16 of the Integrity and Oversight Committee (IOC) inquiry into the education and prevention functions of Victoria's integrity agencies
- simplifying the reporting of complaints and notifications by reporting cases instead of allegations (where possible)
- reporting workforce data and tier-4 environmental data in the appendices to improve readability.

For legal and operational reasons, we cannot report publicly on some activities, including potential criminal prosecutions. Our work can be long term, such as some complex investigative activities, which affect the timing of our reporting. We inform the public when activities are no longer sensitive or constrained by legal requirements.

# About IBAC

IBAC is Victoria's independent anti-corruption and police oversight agency. IBAC works to identify, investigate, expose, and prevent public sector corruption and police misconduct in Victoria.

Public sector corruption can occur when a public officer misuses their position or power for some form of gain.

Police misconduct is inappropriate or illegal conduct in connection with their official duties.

## Examples of public sector corruption



Providing services to family and friends ahead of other members of the community



Misusing information to help a particular company win a contract



Accepting bribes or other benefits

## Examples of police misconduct



Using excessive force



Meeting a vulnerable person in the course of their work and inviting them out on a date

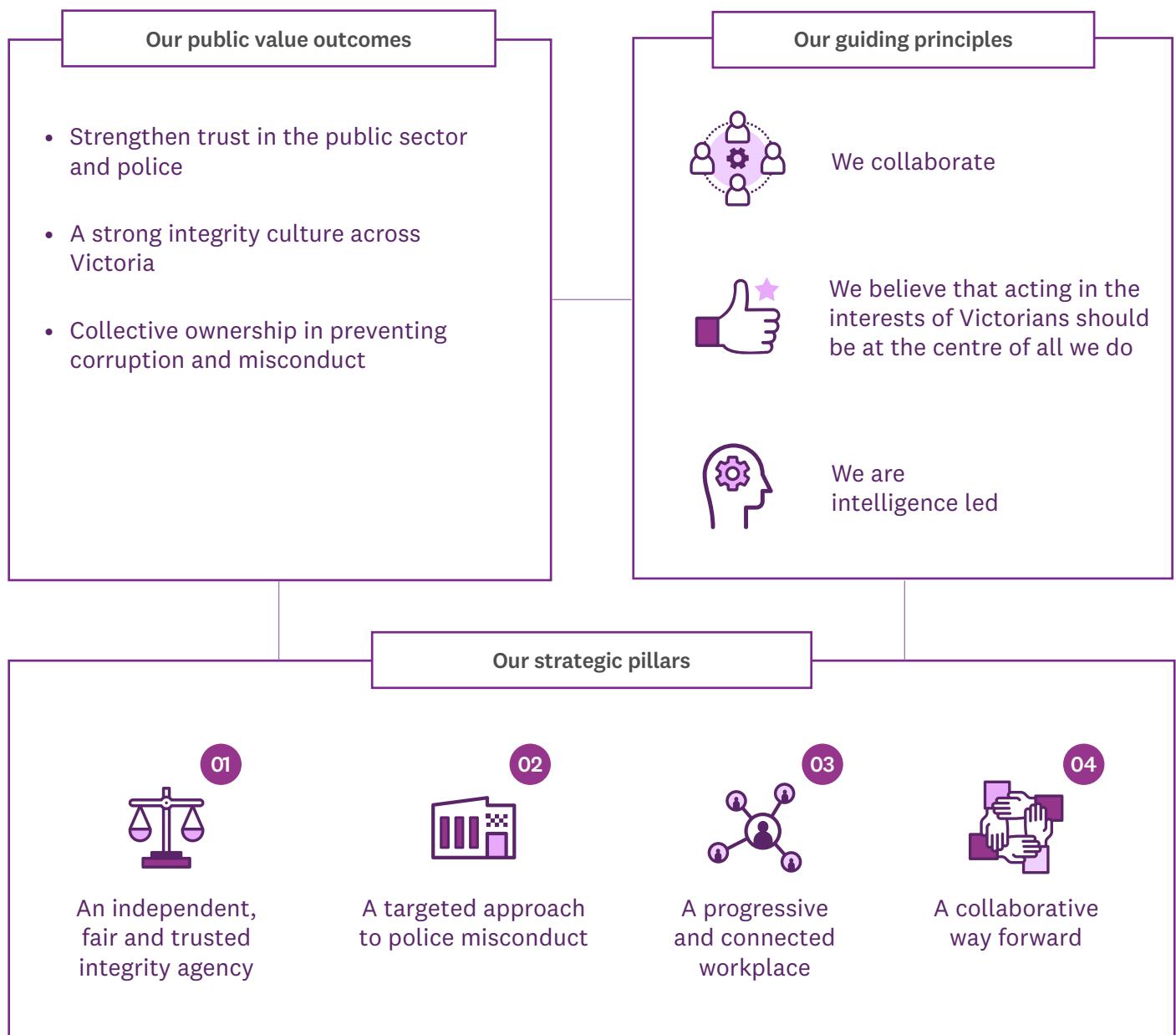


Sharing images of police evidence on social media



Accessing information in police systems for personal use

# Our vision is a public sector and police that acts with integrity for all Victorians.

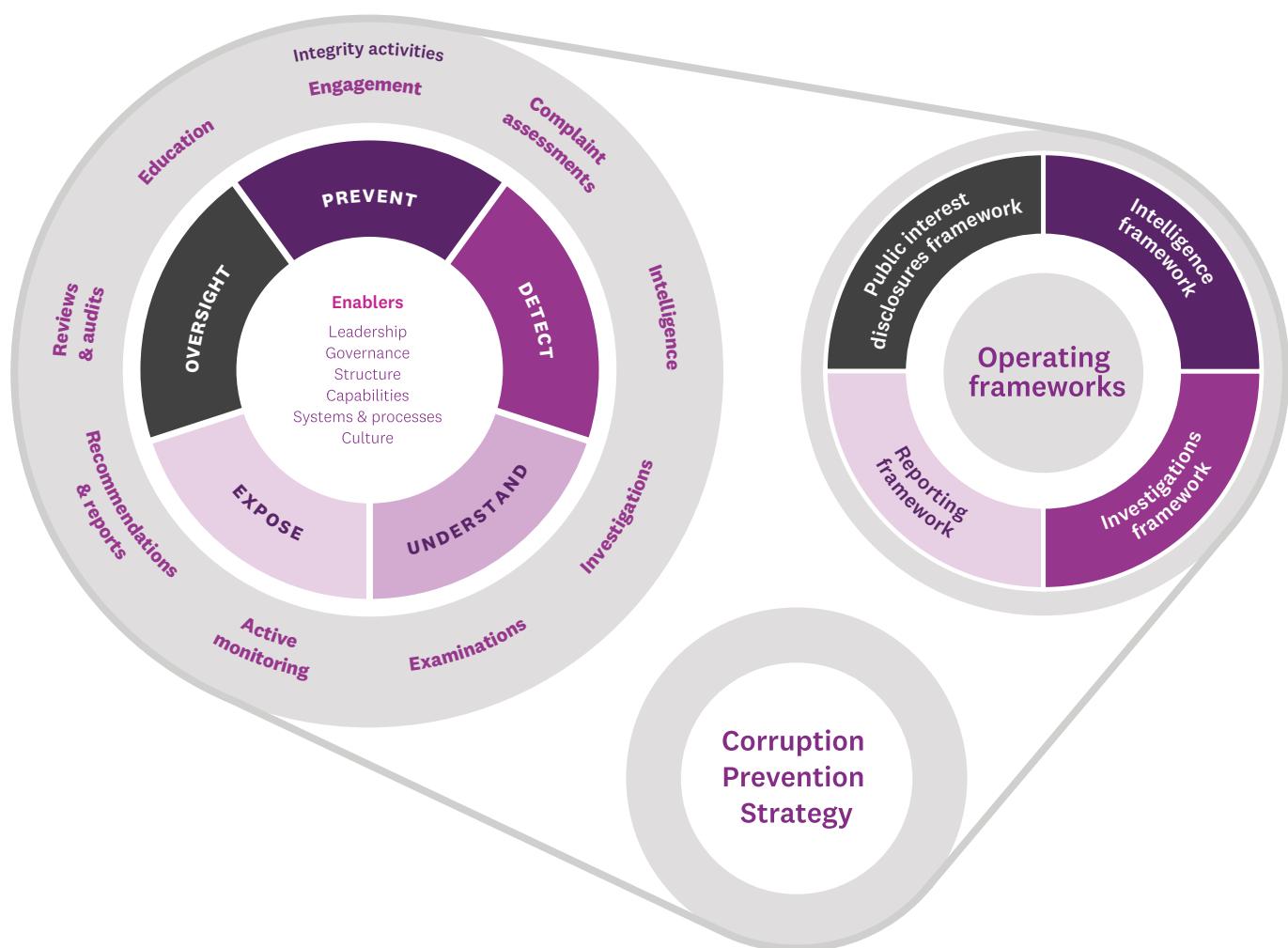


# About IBAC

## Operating model

Driven by *The IBAC Plan 2021-25* (IBAC Plan), IBAC's operating model, shown in Figure 1, identifies what we do. The operating frameworks identify how we do this work. Underpinning all that we do is the *2021-2024 Corruption Prevention Strategy*, ensuring activities have a corruption prevention consideration.

Figure 1: IBAC operating model



## Victoria's integrity system

Victoria's integrity system exists so that the community can have confidence in the public sector and Victoria Police. Public officers, including police, are expected to perform their duties fairly, honestly and in the public interest. This is because unidentified and unchecked corruption and police misconduct:

- wastes public resources
- erodes the public's trust
- damages the reputations of individuals and organisations
- undermines our democratic system of government.

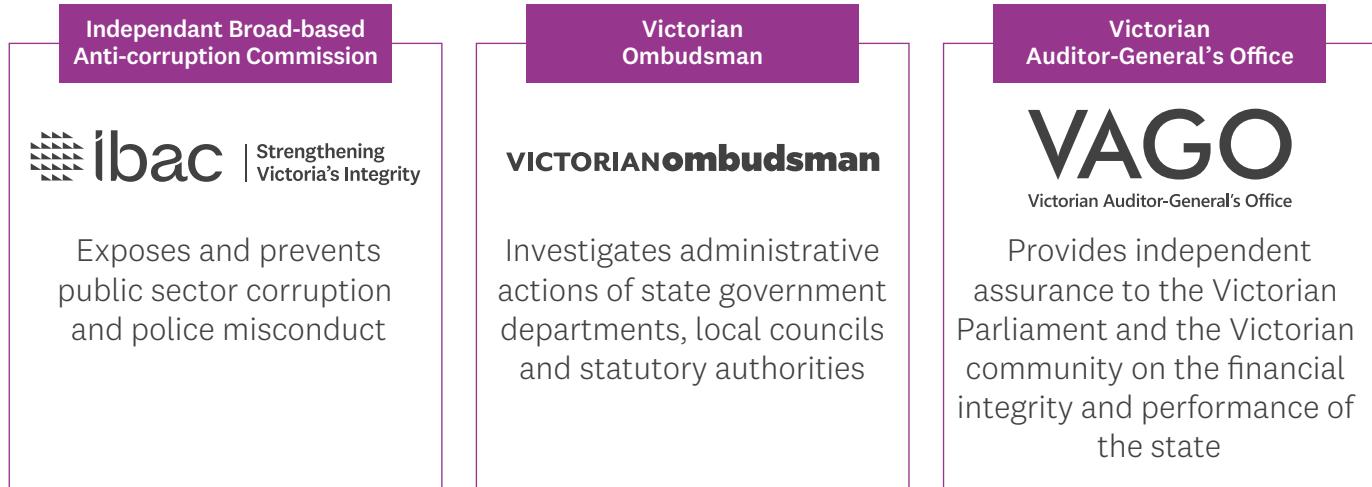
The three principal agencies in Victoria's integrity system are:

- IBAC
- the Victorian Ombudsman
- the Victorian Auditor-General's Office.

IBAC's jurisdiction covers the entire Victorian public sector, including state and local government departments and agencies, Victoria Police, schools, hospitals, Victorian Parliament and the judiciary.

Figure 2: Victoria's integrity system

Victorian Parliament and the Victorian Inspectorate provide oversight



Other agencies support Victoria's integrity system, including the Local Government Inspectorate, Office of the Victorian Information Commissioner (OVIC), the Public Interest Monitor, and commissions for the Victorian public sector, the judiciary, and human rights and equal opportunity.

# About IBAC

## Accountability

IBAC is overseen by a parliamentary committee, the IOC, and the Victorian Inspectorate. The IOC monitors and reviews our performance and examines the reports we publish. The Victorian Inspectorate monitors compliance with the IBAC Act and other legislation. Table 1 outlines the functions of bodies that have oversight of IBAC, including the Attorney-General of Victoria, the Public Interest Monitor, the Supreme Court of Victoria and Magistrates' Court of Victoria.

IBAC's work is shared publicly, when appropriate, including on our website and through other media.

We aim to be transparent whenever possible, and within the bounds of our legislation. Robust reporting practices and external oversight demonstrate our compliance with the law.

**Table 1: Bodies and their roles in overseeing IBAC**

Body	Role
Victorian Parliament IOC	<ul style="list-style-type: none"><li>• Monitors and reviews the performance of IBAC</li><li>• Examines published IBAC reports</li></ul>
Victorian Inspectorate	<ul style="list-style-type: none"><li>• Monitors IBAC compliance with the IBAC Act and other laws</li><li>• Oversees IBAC's performance of its functions under the PID Act</li><li>• Receives and investigates complaints about IBAC</li></ul>
Attorney-General of Victoria	Receives IBAC reports on: <ul style="list-style-type: none"><li>• telecommunications interception warrants</li><li>• surveillance device warrants</li><li>• assumed identities.</li></ul>
Victorian Public Interest Monitor	Reviews IBAC applications for surveillance device and telecommunications interception warrants
Supreme Court of Victoria and Magistrates' Court of Victoria	Receive IBAC reports on surveillance device warrants
Commonwealth Ombudsman	Inspects IBAC's use of stored communications warrants and telecommunications data authorisations
Federal Department of Home Affairs	Receives IBAC reports on: <ul style="list-style-type: none"><li>• telecommunications interception warrants</li><li>• telecommunications data authorisations</li><li>• stored communications warrants.</li></ul>

## Legislation

IBAC's governing legislation is the IBAC Act. We are also responsible for the application of the PID Act and operate in accordance with legislation on a range of matters, including the *Charter of Human Rights and Responsibilities Act 2006* (Vic) (Charter of Human Rights).

Refer to Appendix D: Legislation for an index of legislation referenced in this report.

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# Commissioner's message



**2022/23 marked the 10th anniversary since IBAC commenced operations. Building on the experience developed during our first decade, IBAC has continued to identify, expose and investigate corrupt conduct and police misconduct and to fulfil our prevention and education functions.**

The establishment of the National Anti-Corruption Commission contributed to public awareness and debate on issues of corruption and misconduct in law enforcement agencies. We look forward to working collaboratively with our new colleagues at the national level, as we do with our state and territory counterparts, to share expertise in dealing with our common challenges.

## Police oversight

Victoria's police oversight system is a 'mixed civilian review model' used throughout Australia. It provides a balance between Victoria Police's responsibility to manage and discipline its own workforce, combined with external, independent oversight by IBAC.

A significant part of our police oversight role involves actively reviewing the outcomes of Victoria Police's internal investigations to ensure they are completed thoroughly and fairly.

Reviews of individual police investigations may result in recommendations such as disciplinary action against individual police officers. Our reviews may also result in recommendations for Victoria Police to strengthen its policies and procedures, address systemic issues and improve the conduct of internal investigations. During this reporting period we conducted 192 reviews of Victoria Police investigations, including oversight of incidents that involved deaths or serious injuries after police contact.

When we identify systemic issues, we may review police investigations relating to a particular theme or topic and produce a thematic report identifying systemic and emerging issues. For example, in 2022/23 we completed a thematic review of Victoria Police investigations into the use of oleoresin capsicum spray.

We also make recommendations to address issues identified through our own investigations into police misconduct. In 2022/23, we tabled a special report about the misconduct risks in Victoria Police's Critical Incident Response Team (CIRT) based on a review and two previous IBAC investigations. This report identified ongoing issues with CIRT's processes and actions – including use-of-force reporting – and made six recommendations to address these risks.

IBAC works with Victoria Police to assist them to build a strong integrity culture. During 2022/23, we continued to deliver presentations to police on integrity issues. These included presentations to each police recruit squad before they graduated from the Victoria Police Academy. We also delivered sessions as part of the Police Managers Qualifying Program, and inspector and superintendent development programs.

## Public sector investigations and reforms

During 2022/23, we published a series of reports on public sector corruption risks.

In July 2022, we tabled a special report on Operation Watts jointly with the Victorian Ombudsman. This was a coordinated operation by both agencies to investigate a range of allegations of misuse of electorate offices, ministerial staff, and resources for branch stacking and other party-related activities. The operation uncovered a catalogue of unethical and inappropriate behaviour – known as 'grey corruption' – in which decisions are made and rules broken or bent for the benefit of a personal, organisational or political interest. The report made a series of recommendations on matters that include standards of conduct for members of Parliament and ministers, employment arrangements for their staff, and accountability arrangements for community grants.

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In October 2022, we tabled a special report *Corruption risks associated with donations and lobbying*, which contains a detailed analysis of these important issues and a package of recommended reforms.

In February 2023, we tabled a special report on Operation Clara. This was an investigation into lobbying relating to a \$31 billion development proposal. The investigation found that a former Victorian Government minister improperly lobbied in favour of the proposal on behalf of the development consortium, including by misusing his position as a member of the board of the planning authority. The conduct that this operation exposed highlighted the need for the reforms set out in our special report *Corruption risks associated with donations and lobbying*.

Two months later, in April 2023, we tabled a special report on Operation Daintree. This report, on our investigation into the procurement of a contract to train healthcare workers, highlighted how improper influence compromised the procurement process. The investigation found that a ministerial adviser improperly intervened in the procurement process, and that senior officers within the relevant department failed to ensure a competitive procurement process. The report identified a range of systemic corruption risks and recommended a package of reforms, some of which built upon recommendations made in the Operation Watts special report.

## Legislative compliance

IBAC also has an important role to ensure that Victoria Police complies with its legislative obligations relating to the sex offenders register, firearm prohibition orders, destroying or disposing of illicit drugs, record keeping for the witness protection program, and authorising, taking and destroying DNA profile samples.

While it may not have the public profile of some of IBAC's other activities, this important work includes conducting reviews and inspections, and making reports and recommendations. For example, in May 2023, IBAC made three recommendations to Victoria Police to update its systems, policies, procedures, and templates in relation to the destruction of DNA profile samples.

## Thank you

In December 2022, we farewelled our previous Commissioner, The Honourable Robert Redlich AM, KC. Commissioner Redlich has been a dedicated advocate for integrity in the public sector and Victoria Police, and a thought leader on public sector vulnerability to corruption, including grey corruption. I acknowledge his service and accomplishments throughout his five-year term as Commissioner.

It has been a privilege to lead the organisation in the months since his departure. Our work can be complex and challenging. I would like to acknowledge the leadership and dedication of deputy commissioners David Wolf and Kylie Kilgour, Chief Executive Officer (CEO) Marlo Baragwanath and our executive team, and our skilled and committed staff.

Our role in preventing and exposing corruption and police misconduct is a shared responsibility, which we could not do without the support of other leaders and agencies across the public sector, Victoria Police and our other stakeholders. We are grateful for your collaboration in the pursuit of building a public sector that acts with integrity.

Finally, much of the work that we do and many of the outcomes we achieve would not be possible without the courage of those who come forward to provide information or to make a complaint about corruption or police misconduct. Whether it results in an investigation, or review or contributes towards our intelligence holdings, your trust in coming forward plays a crucial role in building our integrity system.



**Stephen Farrow**

Acting Commissioner

Independent Broad-based Anti-corruption Commission

# CEO's message



**Integrity continued to be a topic that generated significant discussion and interest this year, demonstrating the ongoing importance of IBAC's work. Against this backdrop, IBAC continued its work of exposing corruption and misconduct.**

In the 2022/23 financial year we published several high-profile special reports, delivered year two of *The IBAC Plan 2021–25* (the IBAC Plan), made enhancements to our support for witnesses, and continued to actively engage with our stakeholders from across the public sector, Victoria Police and the community.

## Our 2022/23 performance

A key priority for IBAC is supporting the public sector and police to increase their capability in preventing corruption and police misconduct. Our *Corruption Prevention Strategy 2021–24* guides this work and supports an approach that is proactive, collaborative, and intelligence led.

Looking back over the financial year, I am pleased that we were able to deliver 157 prevention initiatives, which included many engagements and external forums, as well as special reports and research reports, resources and campaigns. This period saw us increase our emphasis on producing prevention resources for the public sector and community, because we all have a role to play in strengthening integrity in Victoria.

We commenced 11 investigations and 18 preliminary inquiries into public sector corruption and police misconduct. We also completed 14 investigations and 12 preliminary inquiries, with 18 investigations and preliminary inquiries still in progress at the end of the year.

We continued to focus on enhancing the experience of those who come forward to report corruption and misconduct to us, particularly through the redesign of our website and a review of the way we correspond with complainants.

The total number of complaints and notifications we received in 2022/23 decreased by five per cent compared to 2021/22. However, it is a 26 per cent increase compared to 2020/21. The number of complaints assessed in 2022/23 was 23 per cent higher than the number assessed in 2020/21. As a result, the timeliness targets for complaint and notification assessments were not met in 2022/23.

## Year two of the IBAC Plan

The 2022/23 financial year marked our second year implementing the IBAC Plan, which sets out our strategic direction and priorities to 2025.

We began planning and delivery of several multi-year strategic initiatives that aim to strengthen trust in the public sector and police, embed a strong integrity culture across Victoria, and support our collective ownership of preventing corruption and misconduct.

These initiatives include:

- a multi-year initiative to improve the experience of complainants through clearer communication, a better understanding of IBAC's processes, and training for staff
- preparing for our new monitoring and reporting function – overseeing Victoria Police's human source management framework – which commences in September 2024
- implementation of our investigations framework, to ensure investigations are robust and defensible, with a focus on timeliness and resourcing
- delivery of ICT and data infrastructure strategies to modernise and enhance our systems, setting the foundation for continuous improvement.

## Strengthening witness wellbeing

Enhancing our capability to support the wellbeing of witnesses was a critical area of focus for IBAC in 2022/23. A central change to improve our approach was establishing a dedicated witness liaison team. The team collaborates across the organisation to ensure that we maintain regular communication with witnesses throughout the lifecycle of an operation. They work to ensure that witnesses understand the potential pathways and processes they may be subject to, and are aware of the supports available to them and how to access them.

## Funding and oversight

IBAC devoted considerable resources in responding to requests from government relating to our funding and the inaugural Integrity & Oversight Committee (IOC) performance audit of IBAC.

At the request of government, IBAC conducted a base review to better assess and determine its future funding requirements. The base review resulted in an increase in funding in the 2022/23 financial year. More importantly, it has provided IBAC with greater certainty in relation to our future funding base.

In 2022, the first performance audit of IBAC was conducted, by a consultant engaged by the IOC. It is pleasing that the independent auditors recognised IBAC's growth in maturity in recent years and our focus on continuous improvement.

IBAC also devoted a significant amount of time in considering and responding to Victorian Inspectorate enquiries and a special report. The special report detailed a file review the Victorian Inspectorate conducted into our handling of a police complaint we received several years ago. IBAC had already made extensive improvements to the way we assess and handle complaints since we received that complaint, and we will continue to improve, to ensure complainants feel safe to come forward.

## Our values

It has been 10 years since IBAC was established. In recognition of how IBAC has evolved, we refreshed our values to ensure they reflect our current culture, vision and strategic direction.

Importantly, these values hold us all accountable in our interactions with stakeholders and members of the Victorian community. The goal is to have our IBAC values truly ingrained in the way we work and make every decision.

## Our people

In December 2022, the Honourable Robert Redlich AM, KC concluded his term as IBAC Commissioner, and Deputy Commissioner Stephen Farrow was appointed as Acting Commissioner. I thank both the former Commissioner and current Acting Commissioner for their leadership, service, and commitment to upholding integrity in Victoria.

I am especially proud of the tenacity and commitment demonstrated by IBAC's people during this period.

The work we do can be challenging at times, but it is always a pleasure to work alongside people who are highly skilled and dedicated to the pursuit of preventing and exposing corruption and misconduct in Victoria's public sector and police.



**Marlo Baragwanath**

Chief Executive Officer  
Independent Broad-based Anti-corruption Commission

# 2022/23 snapshot

## Complaints/notifications and public interest disclosures

 3,558

Complaints/notifications received

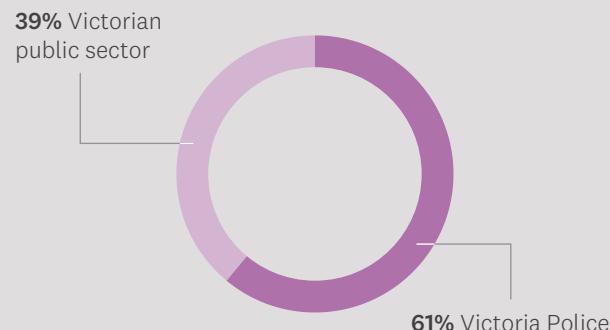
 3,501

Complaints/notifications assessed

 506

Complaints/notifications received as public interest disclosures and public interest disclosure notifications  
(Detailed information on complaints and notifications is provided in Section 2: Our performance.)

### Complaints/notifications received by sector



## Investigations and outcomes

 29

Investigations and preliminary inquiries into alleged serious public sector corruption and police misconduct commenced

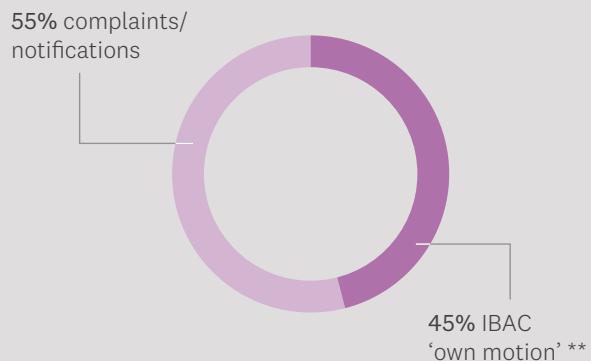
 26

Investigations and preliminary inquiries completed\*

 68

Formal recommendations made (under the IBAC Act) for public sector agencies, including Victoria Police and local government, to improve their systems, practices and controls

### Source of IBAC investigations and preliminary inquiries commenced in 2022/23



## Reviews



Reviews of police and public sector investigations, including 42 reviews of serious police incidents

## Digital reach



Unique visits to the IBAC website

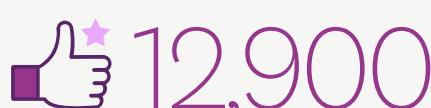


Subscribers to *IBAC Insights*  
(as at 30 June)

## Prevention initiatives



Corruption and police misconduct prevention initiatives delivered



Followers on social media



Special and research reports published exposing corruption and police misconduct, and ways they can be prevented

\* ‘Completed’ is defined as when all planned investigation activities have been completed. It does not signal the end of an operation, which may include subsequent activity such as public reporting or prosecution.

\*\* IBAC can be advised of corruption and police misconduct matters in different ways. If IBAC decides to investigate on its own motion – that is, without a complaint from an individual or a notification from a public sector body – this investigation is referred to as an ‘own-motion’ investigation.

\*\*\* Estimate based on data for 10 of 12 months in the reporting period (data was not collected for two months following the launch of IBAC’s new website in April 2023).

# Section 1

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## Year in review

# Performance overview

## Strategic focus areas scorecard

IBAC had six strategic focus areas to guide operational activity in 2022/23. Delivery of core work in these areas was rated against the *IBAC Annual Plan 2022/23* and is shown in Table 2. These activities are discussed in Section 2: Our performance.

Table 2: Strategic focus area delivery to plan 2022/23

Strategic focus area	Status
1. High-risk police units, divisions and regions	○
2. High-risk public sector agencies	○
3. Major infrastructure projects	✓
4. Undue influence	✓
5. Use of force on people at risk	○
6. Police responses to police family violence incidents and predatory behaviour	✓

### Key

- ✓ Delivered in full – all planned actions have been completed to expectation.
- Delivered in part – some planned actions have been completed to expectation.
- Not delivered – planned actions have not been completed.

IBAC had six strategic focus areas to guide operational activity in 2022/23.

# Performance overview

## Strategic initiatives scorecard

IBAC's progress against the strategic initiatives in our Annual Plan 2022/23, as shown in Table 3. These initiatives are described in the Police oversight and Public sector oversight sections.

### Key

- ✓ Delivered in full – all planned actions have been completed to expectation.
- Delivered in part – some planned actions have been completed to expectation.
- Not delivered – planned actions have not been completed.

Table 3: Strategic initiatives delivery to plan 2022/23

Strategic initiative	Strategic pillar	Status	% complete <sup>(a)</sup>	Multi-year
1. Royal Commission into the Management of Police Informants (RCMPI) and police oversight reforms	2	✓	100 <sup>(b)</sup>	yes
2. Corruption Prevention Strategy	1, 2	○	85	yes
3. Enhanced witness liaison	3	✓	100	—
4. Enhanced complainant experience	1, 2	○	87	yes
5. Intelligence framework	1, 2	○	40	yes
6. Investigations framework	1, 2	○	45	yes <sup>(c)</sup>
7. People Strategy	3	○	50	yes
8. Enabling IT and data infrastructure strategies	3	✓	100	yes

### Notes

<sup>(a)</sup> Percentage of actions planned for the reporting period that were completed. In some cases, 100 per cent also corresponds to completion of the entire project.

<sup>(b)</sup> All planned actions within our control were completed. No regulations were drafted in 2022/23.

<sup>(c)</sup> Implementation of the investigations framework was originally planned as single-year initiative for 2022/23; it will now continue into 2023/24.

## Annual plan performance scorecard

Table 4 shows the 2022/23 results against our *Budget Paper No. 3* (BP3) output performance measures and key performance indicators (KPI).

### Key

- ✓ Met
- Not met, but within 5% of the target
- Not met

**Table 4: IBAC 2022/23 BP3 and KPI results**

Ref	Performance measure	2022/23 target	2022/23 actual	Result
BP3	1. Corruption prevention initiatives delivered by IBAC	115	157	✓
BP3	2. Satisfaction rating with corruption prevention initiatives delivered by IBAC	95%	93%	○
BP3	3. Proportion of standard IBAC investigations into public sector corrupt conduct (excluding police personnel conduct and police personnel corrupt conduct) completed within nine months	60%	67%	✓
BP3	4. Proportion of complex IBAC investigations into public sector corrupt conduct (excluding police personnel conduct and police personnel corrupt conduct) completed within 18 months	60%	83%	✓
BP3	5. Proportion of standard IBAC investigations into police personnel conduct and police personnel corrupt conduct completed within nine months	60%	100%	✓
BP3	6. Proportion of complex IBAC investigations into police personnel conduct and police personnel corrupt conduct completed within 18 months	60%	100%	✓
BP3	7. Public interest disclosure complaints and notifications assessed within 30 days	70%	65%	□
BP3	8. Complaints or notifications about public sector corrupt conduct (excluding police personnel conduct and police personnel corrupt conduct) assessed by IBAC within 45 days	85%	55%	□
BP3	9. Complaints or notifications about police personnel conduct and police personnel corrupt conduct assessed by IBAC within 45 days	90%	48%	□
KPI	10. Lost Time Injury Frequency Rate	2.7	2.0	✓
KPI	11. Increase in occupational health and safety (OHS) hazard and incident reporting as a leading indicator of improvement in safety culture	+5%	+137%	✓
KPI	12. People Matter Survey – employee engagement score	66%	65%	○
KPI	13. Expenditure – variance against budget (organisation wide)	+/-5%	6%	□
KPI	14. IT system uptime (availability of IBAC-managed systems)	99.95%	99.96%	✓
KPI	15. Implementation of the Annual Plan 2022/23 strategic initiatives	75%	76%	✓

# Performance overview

## Prevention and education impact

In 2022/23, we delivered 157 corruption prevention initiatives, which included speaking engagements and external forums, as well as special and research reports, resources and campaigns.

This exceeded our performance target by 37 per cent (an additional 42 initiatives were delivered). We achieved 93 per cent average satisfaction ratings with speaking engagements and forums, which narrowly missed our target of 95 per cent.

Table 5: IBAC 2022/23 output performance – corruption prevention and education

Performance measures	Unit of measure	2022/23 actual	2022/23 target	Variation against target (%)	Result
<b>Quantity</b>					
Corruption prevention initiatives delivered by IBAC	Number	157	115	37	✓
Underpinning the higher than anticipated result is an increased emphasis on producing prevention resources for the public sector and community, including short profiles and summaries, videos, podcasts and case studies, and an increased number of speaking engagements and events, including an increased focus on engagement activities and events for non-public sector audiences.					
<b>Quality</b>					
Satisfaction with corruption prevention initiatives delivered by IBAC	Per cent	93	95	-3	○

### Notes

Numbers are rounded. The result was lower than the target due to the inclusion of community forums. From 2023/24, IBAC will separate reporting on measures for public sector and non-public sector audiences.

During 2022/23, we developed draft performance measures on the quality and impact of prevention and education initiatives.

Some of the new prevention and education measures will be implemented from 1 July 2023. These measures include:

- participant satisfaction by sector
- intent to apply learnings
- acceptance of our recommendations.

We will complete the refresh of our performance measures in 2023/24, to better demonstrate our impact and core service performance. This will include establishing measures on public trust in our role, and the accessibility and fairness of our services.

In 2022/23, we commenced a project to develop an organisational integrity maturity rating system to provide public sector agencies with a consistent way to understand how mature their integrity practices are and where they can be strengthened. The information will inform our prevention and education support to agencies. This project is part of our Corruption Prevention Strategy.

# Financial overview

During the 2022/23 financial year, IBAC's confirmed funding was \$63.5 million. This included \$54.9 million in output appropriation including (ERC funded fixed term funding) and \$8.6 million in the Treasurer's Advance. Of the total confirmed funding, IBAC requested and was approved under section 30 of the FM Act a transfer of \$0.6 million from operating to capital funding for the delivery of a capital project over two financial years.

IBAC was not able to fully utilise the available funding, resulting in an underspend of \$3.8 million compared to the confirmed funding. The key reasons for not being able to use the full funding include a delay to the start of the recruitment process due to the timing of the Treasurer's Advance funding release, a shortage of skilled specialist professionals due to the tight labour market and disruptions to global supply chains. Recruitment for IBAC specialist roles is always challenging, and is further exacerbated by the tight labour market.

## Direct costs attributable to machinery of government changes

There were no direct costs attributable to machinery of government changes.

## Financial performance

Net result from transactions, one of the key financial performance indicators for the reporting year, was \$0 million compared to a \$3.5 million deficit in 2021/22. The 2021/22 deficit resulted from the use of trust funds for which the income was recognised in previous years.

The 2022/23 comprehensive result, a deficit of \$0.2 million, includes gains/(losses) from other economic flows, such as the disposal of assets and the revaluation of leave liabilities due to changes in discount rates and market assumptions. Such gains and losses are outside the control of IBAC.

A summary of IBAC's performance is provided in Table 6 and shows the movement in actual income, expenses, balance sheet items and net cash flow.

**Table 6: Financial summary 2022/23**

Financial performance	2022/23 (\$m)	2021/22 (\$m)
<b>Financial performance</b>		
Total income	59.0	53.6
Total expenditure	59.0	57.1
Net result from transactions	-	(3.5)
Comprehensive result	(0.2)	(3.1)
<b>Financial position</b>		
Total assets	33.9	36.3
Total liabilities	19.3	22.6
Total equity	14.6	13.7
<b>Cash flow</b>		
Net cash flow from operating activities	3.9	4.4

## Income

The *Integrity and Accountability Legislation Amendment (Public Interest Disclosures, Oversight and Independence) Act 2019* (Amending Act) received Royal Assent on 5 March 2019. As a result, from 1 July 2020, IBAC receives its annual appropriation directly from the Victorian Parliament for the provision of outputs.

In 2022/23, IBAC received the first year of funding announced in the 2022/23 State Budget: output revenue of \$32.1 million over four years and \$8.6 million ongoing. This funding was held in contingency pending approval of the base review report by the IBAC Base Review Steering Committee. This funding was released in December 2022 as a Treasurer's Advance and will become part of the output appropriation from 2023/24.

# Financial overview

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## Expenditure

IBAC's total expenditure in 2022/23 increased by \$1.9 million or three per cent. Our employee-related expenses increased by \$3.1 million or nine per cent compared to the previous year, and account for 66 per cent of our total expenditure. The increase in employee-related expenses relates to recruitment for ongoing positions funded from the base review, and salary and superannuation increases during the year in accordance with the Victorian Public Sector Enterprise Agreement and statutory superannuation increases.

## Current financial position

IBAC's financial position shows total assets of \$33.9 million, liabilities at \$19.3 million and equity of \$14.6 million.

IBAC's total assets decreased by seven per cent. This decrease is mainly attributable to annual depreciation and amortisation reducing the carrying values of the assets. The \$3.3 million or 15 per cent decrease in liabilities relates to repayment of the lease liability during the year.

## Looking forward

With confirmation of ongoing funding as part of the 2022/23 State Budget, IBAC has a sustainable funding model to operate more efficiently and effectively compared to previous years when we relied on fixed-term and one-off funding.

Like most government agencies, IBAC faces new cost pressures from external factors beyond our control, such as a higher consumer price index and an increase in demand for our services. However, as a responsible public sector agency, we are committed to achieving efficiencies and working diligently to identify savings to absorb cost pressures to the extent that this is possible.

Any new legislation, recommendations or reform with an impact on demand for IBAC services or resources may necessitate funding requests through the existing Victorian Government budget processes.

**IBAC has a sustainable funding model to operate more efficiently and effectively compared to previous years.**

# Section 2

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## Our performance

# Sector overview

## Strategic pillars – A targeted approach to police misconduct; A collaborative way forward

Victoria's police oversight system is a 'mixed civilian review model', which is used throughout Australia. It provides a balance between Victoria Police's responsibility to manage and discipline its own workforce, combined with external, independent oversight by IBAC.

IBAC works with Victoria Police to assist them to build a strong integrity culture. IBAC takes a targeted approach to police oversight, with a particular focus on the needs of Victorians who may be vulnerable to, or who experience marginalisation.

We are Victoria's independent police oversight body. Our role is to investigate and expose police misconduct, which can include inappropriate or illegal conduct, breaches of Victoria Police policies and procedures, human rights breaches, excessive force, sexual misconduct and discrimination.

Our oversight of Victoria Police helps to ensure police personnel act fairly, impartially and according to the law. This has led to Victoria Police taking action to address misconduct issues and risks, including regular drug testing of officers and improvements to its complaints handling processes.

The scale of the work we do in this area is significant and includes (but is not limited to):

- receiving complaints and notifications about the conduct of police personnel and assessing these allegations to determine which are to be investigated by us, referred to Victoria Police for action, or dismissed
- conducting investigations into serious or systemic police misconduct
- auditing how Victoria Police handles complaints
- providing prevention education and training for Victoria Police officers and employees.

The focus of our police oversight work in 2022/23 continued to be high-risk police units, divisions and regions; use of force; and police responses to family violence incidents and predatory behaviour.

Following the release of the IBAC audit report, *Victoria Police handling of complaints made by Aboriginal people*, we extended our engagement with Victoria's Aboriginal and Torres Strait Islander peoples in the 2022/23 period by presenting at the Aboriginal Justice Forum and Regional Aboriginal Justice Advisory Committee events. We also worked with the Aboriginal-owned creative agency, Little Rocket, to better understand the perceptions of IBAC and the barriers to Aboriginal people reporting corruption to us.

The relaunch of our 'You have the right to not remain silent' campaign in April 2023 was a further step to target high-risk police units and encourage regional Victorians to speak up against police misconduct.

In 2022/23, we tabled a special report about the ongoing misconduct risks in Victoria Police's CIRT. This report identified issues with CIRT's processes and actions – including use of force reporting – and made six recommendations to address these risks.

We also reviewed the outcomes of Victoria Police's internal investigations to ensure they have been investigated thoroughly and fairly. Our reviews may result in requests for Victoria Police to strengthen its policies and procedures, address systemic police misconduct risks, and improve the conduct of internal investigations. Our reviews form a significant part of our police oversight role. In 2022/23, we conducted reviews of 192 Victoria Police investigations. This includes oversight of incidents that involve deaths or serious injuries after police contact.

Following our thematic review of Victoria Police investigations into allegations of excessive force, we made a request to Victoria Police to take action to improve its policies and procedures and to ensure that police actions are lawful and appropriate. Most of the actions in our request were accepted and we plan to publish these outcomes in 2023/24.

We play a key role in upholding integrity standards and preventing police misconduct. Our independent police oversight activities will continue to be targeted and transparent to better meet the needs of all Victorians, with a specific focus on those who may be vulnerable or experience marginalisation.

# Police oversight

## Strategic focus areas

In 2022/23, three strategic focus areas guided our work to prevent and expose police misconduct:

- high-risk police units, divisions and regions
- use of force on people at risk
- police responses to family violence incidents and predatory behaviour.

## High-risk police units, divisions and regions

We focused on police misconduct and corruption in identified high-risk regions, divisions and work units within Victoria Police. Our intelligence informed our investigation priorities and prevention strategies, which are aimed at strengthening IBAC's oversight of Victoria Police, improving its integrity culture, and increasing its resistance to corruption and misconduct.

## Police risk system

IBAC uses a new risk system to identify areas with a high risk of police misconduct and corruption.

This new risk system uses a combination of open-source, Victoria Police and IBAC data to:

- provide risk scores for general duties stations
- inform our decision-making processes, particularly those related to the assessment of complaints, notifications and our prevention activities
- prioritise resources and understand the drivers of risk
- provide insights about our strategic focus areas.

We will review this system regularly and conduct periodic internal performance reviews and refreshes to ensure it remains an effective, efficient and accurate tool.

## Special report – Critical Incident Response Team

In October 2022, we published a special report on misconduct issues and risks associated with Victoria Police's CIRT.

The report used findings from several incidents involving CIRT officers that highlighted misconduct issues and risks, including:

- inaccurate reporting of use of force
- inadequate risk assessment processes, which can increase the risk of using force on members of the public
- poor communication by CIRT officers when responding to incidents
- CIRT officers acting inconsistently with the Charter of Human Rights.

The report made six recommendations to Victoria Police, which are currently being implemented.

## Perceptions of corruption surveys

In August 2022, 1,001 Victoria Police employees participated in the perceptions of corruption surveys.

In addition to the findings from surveys conducted in May 2022 (with public sector and local government employees, business suppliers and the Victorian community), the findings from the Victoria Police survey and an easy-to-read infographic were published on the IBAC website ([www.ibac.vic.gov.au/perceptions-corruption-2022-victoria-police](http://www.ibac.vic.gov.au/perceptions-corruption-2022-victoria-police)) in December 2022.

A report outlining the findings was provided to Victoria Police.

We have incorporated discussion on the key findings into our Victoria Police education program, which includes sessions delivered to new recruits, the Police Managers Qualifying Program, and inspector and superintendent development programs.

We delivered a public webinar in March 2023 to communicate the key findings and opportunities for prevention activities identified in the perceptions of corruption survey.

## Collaboration with Victoria Police

Throughout 2022/23, we drafted the police sector profile. This is one of the corruption prevention resources that will be launched in 2023/24 to provide insights into specific corruption and misconduct risks and prevention strategies. We liaised with Victoria Police on the content and commenced drafting a revised memorandum of understanding to support the way we work with Victoria Police.

# Police oversight

## Reviews

As part of our independent oversight of Victoria Police, we review selected internal police investigations to assess whether:

- they are thorough, impartial and fair
- findings are evidence-based
- outcomes are reasonable and in accordance with public expectations.

When areas of concern indicating possible systemic problems are identified, we conduct a thematic review. This involves analysis of reviews on a specific theme or topic and usually results in a report identifying systemic and emerging issues for Victoria Police.

Following any review, we consider whether any action is required. Section 160 of the IBAC Act allows us to request that the Chief Commissioner of Police take certain actions. We also work with Victoria Police to drive improvements and provide input into the development of police policies to reduce misconduct, strengthen investigation processes and increase accountability.

In 2022/23, we completed a thematic review of Victoria Police investigations into the use of oleoresin capsicum (OC) spray. Publication of this review is planned for 2023/24.

We are also completing a review of Victoria Police's responses to our recommendations and will publish the findings in a special report in 2023/24.

## Regional Victorian public awareness campaign

In April 2023, we relaunched our 'You have the right to not remain silent' campaign to encourage regional Victorians to speak out against police misconduct.

Using short videos, audio clips and digital banners, the campaign raised awareness of our police oversight role and aimed to empower the community to report suspected police misconduct or provide information anonymously.

The campaign was promoted again to support our strategic focus on high-risk police units, divisions and regions, and responded to intelligence that shows it is likely some instances of police misconduct go unreported.

The campaign targeted regional areas that may not be familiar with IBAC and was promoted on social media and digital radio channels. It also appeared on shopping centre screens in parts of regional Victoria, including Ballarat, Bairnsdale, Sale, Bendigo, Morwell, Mildura and Shepparton.

In line with IBAC's *Focus Communities Strategy 2021–23*, a key objective of the 'You have the right not to remain silent' campaign was to ensure it was accessible to Victorians who are part of culturally diverse communities.

The campaign was translated into Arabic, Cantonese, Dari, Hindi, Karen, Mandarin and Vietnamese, and was broadcast on multicultural radio stations. We also delivered a series of presentations to regional Aboriginal justice advisory committees around Victoria.

**In line with IBAC's Focus Communities Strategy, a key objective of the 'You have the right to not remain silent' campaign was to ensure it was accessible to Victorians who are part of culturally diverse communities.**

## **Use of force on people at risk**

We continued to identify and assist in the prevention of Victoria Police using excessive force against people from vulnerable or marginalised communities vulnerable or marginalised communities, including:

- Aboriginal Victorians
- LGBTIQ+ communities
- culturally and linguistically diverse communities
- people experiencing mental illness, many of whom may have limited capacity or confidence to report misconduct.

## **Building understanding of Aboriginal communities**

In 2022/23, we worked with Aboriginal-owned creative agency, Little Rocket, to gather insights to better understand the needs of Aboriginal peoples in Victoria, in the context of our police oversight role. The research included focus groups and one-on-one interviews with Aboriginal community members and leaders of community service organisations to explore perceptions of IBAC, police misconduct, and barriers and drivers to reporting information to IBAC.

## **Thematic review and special report**

During 2022/23, we developed a special report on Victoria Police's use of force and completed a thematic review of Victoria Police investigations into allegations involving excessive force against persons at risk. The special report identifies a range of misconduct risks and vulnerabilities concerning how police officers use force.

Victoria Police accepted most of IBAC's requests to take action to improve its policies and procedures. Publication of these outcomes is planned for 2023/24.

## **Education program case studies**

In 2022/23, we presented to each police recruit squad before they graduated from the Victoria Police Academy. This presentation included a case study on the use of force on vulnerable or marginalised people.

## **Police responses to police family violence incidents and predatory behaviour**

We aimed to prevent and expose inappropriate Victoria Police responses to family violence and predatory behaviour incidents involving police personnel.

Consistent police responses are critical to:

- maintaining integrity and ethical standards
- removing perceived conflicts of interest
- reducing the prevalence of these behaviours.

## **Thematic reviews**

We commenced a thematic review on family violence, which will inform a future research project.

We also published a thematic review into predatory behaviour by Victoria Police personnel. The full review is available on the IBAC website ([www.ibac.vic.gov.au/predatory-behaviour-by-police](http://www.ibac.vic.gov.au/predatory-behaviour-by-police)). A case study describing one of the investigations reviewed is provided below.

# Police oversight

## Case study 1: Predatory behaviour by Victoria Police officers

In May 2023, we published a thematic review of 27 Victoria Police investigations into allegations of predatory behaviour by Victoria Police personnel. The reviews examined whether the investigations were thorough, impartial and timely, whether findings were evidence-based, and whether outcomes were fair and reasonable. IBAC determined 26 of the 27 investigations to be adequate.

We also considered:

- whether the investigations reflected human rights
- if any disciplinary action was appropriate
- whether risk mitigation strategies were likely to be effective.

In completing this thematic review, we made several requests for further action under section 160 of the IBAC Act to Victoria Police, all of which were accepted. Some of these requests have already been implemented to improve the way Victoria Police manages and investigates similar matters in the future. We called on Victoria Police to:

- use relevant, de-identified case studies in integrity management training for investigators and for ethics and professional standards officers, and in broader training for Victoria Police employees, to encourage a ‘speak-up’ culture and to minimise under-reporting of predatory behaviour
- consider a new, separate section on harm in Victoria Police’s complaint investigation report template, to enable investigators to address more broadly the impact of the alleged conduct on victims and workplaces
- ensure that an ‘ethical health profile’ is undertaken in respect of any officer who is the subject of a complaint of a sexual nature

- ensure that staff of the Legal Discipline Advisory Unit provide advice that is consistent with Victoria Police’s zero-tolerance approach to predatory behaviour
- improve record keeping at internal meetings discussing allegations of predatory behaviour, to ensure that recommendations about discipline sanctions and outcomes are transparent and reasons are recorded
- provide clearer guidance for employees on the declaration and management of intimate or personal workplace relationships that are consensual but could be perceived as predatory behaviour.

One review that we conducted considered a case involving a leading senior constable from Victoria Police who was investigated for allegations of inappropriate and predatory behaviour, including unauthorised information access and disclosure. The allegations were not substantiated, however, investigators met with the leading senior constable and made appropriate recommendations for them to attend training, receive ongoing guidance and mentoring, and monitor their ethical health in conjunction with Professional Standards Command.

The final Victoria Police investigation report contained a specific section titled Harm, which allowed the investigator a dedicated space to discuss harm caused to the victim, subject, workplace and organisation. IBAC acknowledged this as a positive initiative to ensure that the appropriate focus is given to recognising the serious harm to the victim that can be caused by predatory behaviour.

While IBAC considers the inclusion of the section on harm to be an appropriate inclusion in matters of this kind, our review identified other issues in respect to the analysis of the Charter of Human Rights, which did not contain sufficient analysis to explain how certain rights were engaged but not breached.

## **Education program case studies**

In 2022/23, we continued to use both ‘police family violence perpetrator’ and ‘predatory behaviour’ examples in our education programs delivered to senior sergeants during the Police Managers Qualifying Program and to inspectors during their Inspectors’ and Superintendents’ Development Program. Examples were also incorporated into the education program delivered to each police recruit squad at the Victoria Police Academy.

## **Strategic initiatives**

Many of our strategic initiatives included here benefit both our police oversight work as well as our public sector oversight work.

### **RCMPI and police oversight reforms**

In 2022/23, the Victorian Government passed the *Human Source Management Act 2023*, which establishes a new monitoring and reporting function for IBAC in relation to Victoria Police. While this function will not commence until late 2024, we have already commenced planning and preparatory work for our oversight of Victoria Police’s human source management framework.

We continue to consult with key stakeholders, including the Department of Justice and Community Safety, on the development of human source management regulations, which will form an essential part of our ability to effectively oversee the framework.

IBAC understands that the Victorian Government will revisit the police oversight reforms after the Yoorrook Justice Commission delivers its report into injustices against First Peoples in the criminal justice system, due in August 2023. We expect consultation with government to continue on this important piece of work and have taken a number of steps to address some of the key issues raised during consultation in previous years.

### **Corruption Prevention Strategy**

In 2022/23, we implemented year two and moved into year three of our Corruption Prevention Strategy, which aims to build the corruption prevention capability of Victoria Police and the public sector. This strategy supports a proactive, integrated and intelligence-led approach to the prevention of corruption and police misconduct. It focuses our efforts on data collection and analysis and informs the educational materials we develop and the targeted engagement we provide.

In year one, we commenced several multi-year projects with a focus on the enhancement of our internal capabilities.

In years two and three, we concentrated on several key areas, including:

- building our internal data analytics capability and applying these insights to our activities to prevent and identify corruption and police misconduct
- expanding our communication and engagement activities, including:
  - presentations to different police cohorts at forums and training
  - new and more accessible educational materials on our police oversight role for both Victoria Police and the community
  - police oversight awareness campaigns, videos, podcasts and information sheets
  - reports and case studies
- exploring opportunities to collaborate with Victoria Police on prevention and education initiatives.

We launched a new website in April 2023, making it easier for people to report corruption and police misconduct. Key enhancements include:

- forms supported by clearer, step-by-step instructions
- improvements to accessibility of the complaint form and the ability to provide information anonymously
- a more user-friendly resource centre to access our publications and resources.

We also delivered a project to update some of our key public resources to ensure they are accessible and user-friendly. The project included the redevelopment of information sheets and videos on topics including public interest disclosures, witness wellbeing and key corruption risk themes, such as conflict of interest, procurement, recruitment and criminal networks. We will begin distributing these refreshed resources in 2023/24.

A new stakeholder management system was implemented across the organisation to enhance our internal information-sharing capability, while also allowing us to better track and manage contact and activities with our stakeholders.

# Police oversight

We delivered key initiatives in the final year of our Focus Communities Strategy. These included:

- attendance at the Midsumma Festival (January 2023)
- our regional ‘You have the right to not remain silent’ campaign, encouraging regional communities at risk of police misconduct to speak out and report to us
- the development of new materials on complaint handling and translation of resources.

We delivered a range of prevention and education initiatives related to our police oversight role and strategic focus areas in 2022/23 (see details in the Strategic focus areas section). In 2023/24, we will develop our next community strategy.

## Enhanced witness liaison

In 2023, we enhanced our witness liaison capability to support the health, safety and wellbeing of witnesses. This initiative included an updated Witness Wellbeing Policy, which outlines our commitment to the health and psychological wellbeing of witnesses. We also developed a new witness wellbeing procedure that provides guidance to IBAC officers on witness risk assessments, supports and escalation.

We established a dedicated witness liaison team in February 2023, delivering a coordinated approach to witness wellbeing with a focus on communication and risk management.

Our witness liaison team collaborates with teams across the organisation to ensure:

- communication with witnesses is maintained throughout an operation, including during the drafting and tabling of a report
- witnesses understand the potential pathways and processes they may be subject to
- witnesses are aware of the supports available to them and how to access them.

The witness liaison team has also worked with an external provider to deliver training to our frontline employees and people managers to enhance their ability to screen for risks and manage witness wellbeing.

## Enhanced complainant experience

We continued work on a multi-year strategic initiative aimed at enhancing the complainant experience, including:

- an in-depth review of information relevant to the Public Interest Disclosure (PID) scheme
- the redesign of our website
- a review of correspondence to complainants.

We have also commenced a review of our policies and procedures relating to the assessment of complaints and introduced conditions for some referrals of the complaints we refer to other bodies for investigation. This ensures that referrals are managed and investigated in accordance with the relevant conditions.

We also conducted training for our staff to improve the experience for complainants, covering topics such as:

- wellbeing and welfare
- engaging with vulnerable complainants on the telephone
- dealing with complex behaviours.

During 2022/23, we also implemented a quality assurance framework and an audit plan that includes regular monitoring.

## Intelligence framework

We continued to refine our intelligence framework in 2022/23. The framework will describe how we give effect to the operating model that is at the centre of the IBAC Plan.

The intelligence framework is a multi-year program, which will be finalised in 2023/24 and implemented over the following two years. To support the new framework, we will develop a training roadmap to ensure relevant IBAC employees have the skills and capabilities necessary for their roles, and are supported through established processes and systems.

We will enhance our information sharing internally and with external stakeholders to build understanding and generate timely intelligence insights. The intelligence framework will lead to clear operational and prevention outcomes across IBAC.

## Investigations framework

The investigations framework was approved in 2022/23 and implementation has commenced. The implementation of this framework and related policies, procedures and performance monitoring will continue during 2023/24.

## Other core activity

### Prevention and education

#### Making IBAC's resources easier to understand

In 2023, we updated some of our key public resources to ensure they are accessible and user-friendly. The project included a refresh of resources for Victoria Police personnel to inform them about IBAC's role and why they must report misconduct. We will begin distributing these refreshed resources in 2023/24.

#### Police engagement and community education

Our Victoria Police education program continued in 2022/23. We presented at over 30 forums or speaking engagements for Victoria Police employees. This included regular presentations to new recruits in the probationary constables training, and presentations to various ranks in leadership or promotional programs, including the Police Managers Qualifying Program, Inspector Development Program, and new detectives and superintendents.

In 2022/23, we progressed discussions with Victoria Police to expand our education program to deliver content in other Victoria Police training programs, including the Taking Charge Course which is part of the Probationary Constables Extended Training Program. We are also working with Victoria Police to incorporate a video into a new 'Ethical Leadership Online' e-module which will be mandatory for all Victoria Police employees.

We also held a public webinar 'Who oversees the integrity of Victoria Police?' as part of Law Week in May 2023 and published two summaries to highlight our reviews of Victoria Police investigations. This included a summary of our review on predatory behaviours and Victoria Police's use of dogs.

### Complaints and notifications

Our objectives in assessing complaints and notifications in relation to Victoria Police are to:

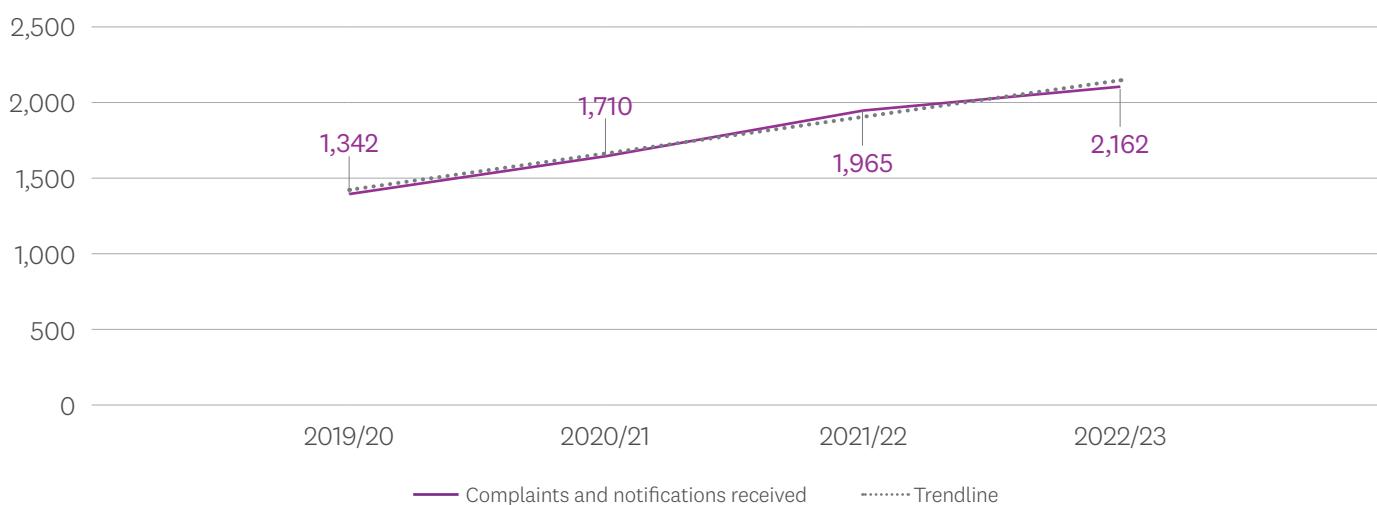
- provide an accessible and responsive service to all Victorians who wish to make a complaint
- receive and assess complaints and notifications about Victoria Police alleging corrupt conduct and/or police personnel misconduct, including assessing complaints under the PID Act
- ensure the highest ethical and professional standards are maintained by police officers and protective services officers
- determine whether the complaint or notification warrants investigation or further action. This includes considering whether any investigation should be by IBAC, Victoria Police or another agency, and whether IBAC will review an investigation conducted by Victoria Police.

Information about how we handle complaints can be found on the IBAC website ([www.ibac.vic.gov.au/reporting-corruption/what-happens-to-your-complaint](http://www.ibac.vic.gov.au/reporting-corruption/what-happens-to-your-complaint)).

## Police oversight

In 2022/23, IBAC received 2,162 complaints and notifications related to Victoria Police. Of the police complaints and notifications received, 88 per cent were complaints and 12 per cent were notifications. Of the complaints and notifications received, 242 were assessable disclosures under the PID Act. There was a nine per cent increase in complaints and notifications received relating to Victoria Police in 2022/23.

Figure 3: Complaints and notifications received relating to Victoria Police



### Assessment timeliness

Timeliness targets for police complaint and notification assessment were not met in 2022/23 due to the increased volume of complaints received in 2021/22 and 2022/23. Not all complaints and notifications are equal. IBAC also identifies through the assessment process the allegation or allegations made by a complainant. Some complaints have multiple allegations that have to be assessed separately, adding to the complexity of each matter.

Table 7: IBAC 2022/23 output performance – Victoria Police complaint assessments

Performance measures	Unit of measure	2022/23 actual	2022/23 target	Variation against target	Result
<strong>Timeliness</strong>					
Complaints or notifications about police conduct assessed by IBAC within 45 days	Percentage	48	85	-44	<span style="color: #d9534f;">□</span>

#### Note

A large number of legacy matters were assessed in 2022/23 and this impacted the overall timeliness of complaint assessments. There is also the impact of capacity which is expected to improve with the recruitment of new assessment officer locum roles.

## Assessment of complaints and notifications

Table 8: Victoria Police complaints and notifications

	2022/23	2021/22	2020/21
<b>Received</b>			
Total complaints and notifications received	2,162	1,965	1,710
• complaints	1,909	1,756	1,495
• notifications	253	209	215
- PIDs and PID notifications <sup>(a)</sup>	242	192	204
<b>Assessed</b>			
Total complaints and notifications assessed	2,084	1,786	1,705
• complaints	1,840	1,580	1,461
• notifications	244	206	244
Warrants investigation or further action <sup>(b)</sup>	367	505	829
<b>Actions</b>			
IBAC review or investigation <sup>(c)</sup>	201	268	69
• preliminary inquiries	4	6	2
• investigations	5	4	3
• reviewed by IBAC	192	258	64

### Notes

<sup>(a)</sup> PIDs and PID notifications are assessable disclosures under the PID Act received by IBAC or notified to IBAC.

<sup>(b)</sup> Warrants investigation or further action includes action by IBAC or another appropriate agency.

<sup>(c)</sup> Review and investigation of matters may arise from a complaint or notification from different reporting period.

# Police oversight

Table 9 provides a summary of types of police misconduct complaints and notifications that we assessed.

**Table 9: Victoria Police allegations assessed during 2022/23, by issue**

Classification	Proportion of total allegations assessed by IBAC (%)
Breach of professional boundaries	26.1
Bribery and inducements	0.3
Collusion	1.5
Criminal behaviour, drugs and vices	4.6
Extortion	0.2
Favouritism	2.8
Force	12.1
Fraud	0.5
Inaction	37.5
Misuse of resources	3.6
Not in jurisdiction	3.9
Obstruction of justice	6.4
Theft	0.5

IBAC previously reported on Management Intervention Model (MIM) and Local Management Resolution (LMR) matters. These figures are not included in this report, as changes to the Victoria Police classification system mean that matters are no longer classified as MIMs or LMRs.

## Investigations

Our objectives for investigations in relation to Victoria Police are to identify, investigate, and expose corruption and police misconduct. More information is available about the investigation of police misconduct on the IBAC website ([www.ibac.vic.gov.au/what-we-investigate](http://www.ibac.vic.gov.au/what-we-investigate)).

In 2022/23, IBAC commenced four Victoria Police investigations and eight preliminary inquiries. We also completed five investigations and six preliminary inquiries.

Table 10 summarises IBAC investigations and preliminary inquiries that began or were completed during 2022/23, and those that remained open at the end of the year.

**Table 10: Investigations and preliminary inquiries – Victoria Police**

2022/23 <sup>(a)</sup>	
Preliminary inquiries commenced <sup>(b)</sup>	8
Investigations commenced <sup>(b)</sup>	4
• Standard investigations commenced	3
• Complex investigations commenced	1
Preliminary inquiries completed	6
Investigations completed	5
• Standard investigations completed	2
• Complex investigations completed	3
Ongoing investigations and preliminary inquiries at 30 June 2023	7

## Notes

<sup>(a)</sup> In 2021/22, we did not segment the number of investigations and preliminary inquiries by sector.

<sup>(b)</sup> Includes ‘own-motion’ investigations, where we decide to investigate on our own motion without a complaint from an individual or a notification from a public sector body.

Investigation timeliness performance targets were met for both standard and complex investigations into Victoria Police matters.

**Table 11: IBAC 2022/23 output performance – Victoria Police investigations**

Performance measures	Unit of measure	2022/23 actual	2022/23 target	Variation against target (%)	Result
<b>Timeliness</b>					
Proportion of standard IBAC investigations into police conduct completed within 9 months	Percentage	100	60	67	✓
Proportion of complex IBAC investigations into police conduct completed within 18 months	Percentage	100	60	67	✓

#### Note

Results were calculated using new methodology which defines ‘completed’ as when all planned investigation activities have been completed. It does not signal the end of an operation, which may include subsequent activity such as public reporting. IBAC’s performance results should not be impacted by factors outside of our control, such as a legal challenge to the release of a report. These factors skew timeliness data and do not accurately convey our performance. Data that is more representative of our actual performance helps monitor and inform process improvements. Under the new business rules, four investigations into police conduct not previously reported as being completed were assessed as having been completed prior to the 2022/23 financial year.

#### Examinations

As part of an investigation, IBAC may hold private and/or public examinations. Examinations are not trials, and do not determine guilt or innocence. They are used as an investigative tool to gather information and support our efforts to prevent and expose police misconduct.

More information about examinations can found on the IBAC website ([www.ibac.vic.gov.au/ibac-examinations](http://www.ibac.vic.gov.au/ibac-examinations)).

Table 12 provides information on examinations conducted during IBAC investigations in 2022/23.

**Table 12: Examinations undertaken as part of IBAC investigations – Victoria Police**

2022/23
Private examination days
Public examination days
Witnesses called

Section 84 of the IBAC Act gives us a power to compel a police officer or protective services officer to answer questions without conducting an examination. We conducted seven interviews under section 84 during this reporting period. There is not a corresponding power in relation to other public officers.

# Police oversight

## Outcomes of IBAC investigations

### Recommendations made to Victoria Police

Throughout the investigation process, we identify police misconduct issues and make recommendations to Victoria Police aimed at preventing further misconduct.

We may request the Chief Commissioner of Police to take certain actions when we review the effectiveness and outcomes of an investigation which we referred to Victoria Police.

In 2022/23, we made 23 recommendations to Victoria Police under section 159 of the IBAC Act and 40 requests under section 160 to improve processes, policies, systems or training, and to address misconduct risks.

IBAC requests that Victoria Police respond to our recommendations within a specified period.

**Table 13: IBAC Act section 159 recommendations and section 160 requests made to Victoria Police**

Type of recommendation	Number
Section 159 recommendations	23
Section 160 requests	40

### Reviews of Victoria Police investigations

We review Victoria Police's investigations into allegations of misconduct or serious incidents and deaths associated with police contact. These independent reviews are a critical part of our work. In 2022/23 we adopted a more targeted approach to reviewing matters that are serious and align with IBAC Strategic Focus Areas.

In 2022/23, we conducted 192 reviews of Victoria Police investigations, resulting in 40 requests being made to Victoria Police for further action. These are matters where we request that Victoria Police provide a formal response or conduct a reinvestigation.

Of the total reviews of Victoria Police investigations, 42 related to serious incidents. These include investigations into fatal shootings, suicide attempts in custody and arrests resulting in hospitalisation.

To find more information about our reviews of police and public sector investigations, visit our website ([www.ibac.vic.gov.au/reviews-police-and-public-sector-investigations](http://www.ibac.vic.gov.au/reviews-police-and-public-sector-investigations)).

### Case study 2: Victoria Police investigations of public interest disclosures

As part of our oversight function, we regularly review Victoria Police investigations of public interest complaints to ensure they were conducted thoroughly and impartially. It is a requirement of the PID Act that the identity of the person who made the public interest complaint remain confidential, and that they are protected against reprisal, such as termination of employment, harassment or legal action. We review public interest complaint investigations carefully to consider whether these legislative requirements have been met.

In the previous financial year, we identified issues with four Victoria Police investigations involving public interest complaints. Two of these investigations involved disclosures from members of the Victorian community relating to police personnel misconduct. The other two investigations resulted from internal disclosures by Victoria Police members relating to undeclared associations and unauthorised access to police information systems.

We requested that Victoria Police investigate and explain what preventative or educational steps it has taken so that similar issues do not occur in the future.

In the 2022/23 financial year, Victoria Police provided its response to us. Victoria Police undertook four new internal investigations and found that two of the original investigations had inadvertently breached the PID Act due to inadequate training. Victoria Police provided both investigators with workplace guidance and training specific to the PID Act. We determined that this was an appropriate outcome.

Victoria Police informed IBAC that they are continuing to review and modernise their training to include clear instructions to improve investigators' understanding of, and compliance with, legislative and policy requirements.

## **Prosecutions**

During 2022/23, we did not commence any prosecutions, nor were there any prosecution outcomes resulting from IBAC police misconduct investigations.

## **Compliance monitoring of Victoria Police**

Our external oversight team monitors Victoria Police's compliance with the following legislation.

### ***Crimes Act 1958 (Vic)***

In May 2023, we reported on the Chief Commissioner of Victoria Police's obligation under section 464ZN of the Crimes Act to destroy DNA samples. The report was for the period from 1 July 2019 to 31 December 2020. We made three recommendations to Victoria Police within the report about updates to systems, policies, procedures and templates.

In January and June 2023, our officers conducted an inspection of Victoria Police's records for the period from 1 July 2019 to 31 December 2022, to determine the extent of its compliance with obligations set out in section 464ZO of the Crimes Act, which relate to taking DNA profile samples. A final report will be given to the Attorney-General in the second half of the 2023/24 financial year.

### ***Drugs, Poisons and Controlled Substances Act 1981 (Vic)***

In February 2023, our officers conducted an inspection of Victoria Police's records relating to the destruction of drugs, poisons, controlled substances, items and equipment. The inspection covered the period from 1 July 2021 to 30 June 2022.

IBAC will report on this inspection in 2023/24.

## ***Firearms Act 1996 (Vic)***

In March 2023, our officers conducted a review of 22 Firearm Prohibition Orders (FPO) made by Victoria Police in the period from 1 January 2022 to 30 June 2022. We recommended to the Chief Commissioner of Police that two FPOs be reviewed with a view to revoking them. Victoria Police advised us that after a review of the two FPOs, one FPO was revoked and one was to remain in effect.

In May 2023, our officers conducted a review of 39 FPOs made by Victoria Police in the period from 1 July 2022 to 31 December 2022. We recommended to the Chief Commissioner of Police that two FPOs be reviewed with a view to revoking them. The outcome of the review will be included in the next annual report.

### ***Sex Offenders Registration Act 2004 (Vic)***

In June 2023, we provided a report to the Minister for Police and Emergency Services on Victoria Police's compliance with various aspects of the Sex Offenders Registration Act. We made five recommendations to Victoria Police concerning the review and update of relevant procedures, guidelines and processes.

This report set out the results of two comprehensive inspections of Victoria Police's records, under section 70N of the Sex Offenders Registration Act, which we conducted in October 2019 and November-December 2021, covering an inspection period from 1 January 2017 to 31 December 2020.

### ***Witness Protection Act 1991 (Vic)***

In March 2023, IBAC officers conducted an inspection of Victoria Police's witness protection records, pursuant to section 20E of the Witness Protection Act.

On 30 June 2023, we provided a report to the Minister for Police and Emergency Services, pursuant to section 20G of the Witness Protection Act, outlining the results of this inspection. We made two recommendations to Victoria Police within the report.

# Sector overview

## Strategic pillars – An independent, fair and trusted integrity agency; A collaborative way forward

We are an independent integrity agency working towards eliminating corruption in Victoria. We do this by educating and building the capability of the public sector to actively resist corruption and sharing our insights on Victoria's corruption landscape.

We collaborate and actively encourage organisations to approach us to assist them in building a strong integrity culture. We understand that we do not operate alone — we are part of a broader integrity system.

As Victoria's independent public sector oversight body, our role is to prevent and expose corruption, and build a corruption-resistant Victorian public sector.

The focus of our work in the public sector in 2022/23 continued to be high-risk public sector agencies, major infrastructure projects and improper influence. We tabled four significant special reports that highlighted the ongoing integrity challenges in these areas within the public sector.

The special report for Operation Watts was a joint report of IBAC and the Victorian Ombudsman. It exposed the misuse by members of Parliament of their publicly funded staff for party-political purposes. It also found that some members of Parliament gave publicly funded employment to relatives or as a reward for party-political work, with little regard to the person's ability to perform the work or to whether the person in fact performed their public duties.

The special report for Operation Daintree highlighted how a union was able to improperly influence the awarding and management of a \$1.2 million contract awarded to a training group. Our operation revealed a failure to follow a competitive procurement process and failures by ministers, ministerial advisors and senior public servants to meet their duties and obligations and to make decisions which are in the public interest. Conduct such as this – where public officers make decisions which favour political, personal or organisational interests – falls short of the standards required of the Victorian public sector.

Operation Clara focused on a former Victorian Government minister, who was a member of the Board of the Victorian Planning Authority. The investigation found that he improperly lobbied ministers on behalf of a consortium that was bidding for a \$31 billion development in East Werribee. He failed to declare a conflict of interest and to comply with a requirement to register the consortium as a lobbying client. In lieu of direct payment for his lobbying, he obtained benefits from the consortium and its associates in the form of donations to his daughter's campaign for election to the Victorian Parliament.

Our investigations and research also uncovered corruption risks relating to the use of donations and lobbying to gain privileged access to and improperly influence decision-makers. Our special report, *Corruption risks associated with donations and lobbying*, made recommendations aimed at improving Victoria's donations and lobbying regulations across both state and local government.

Results from our perceptions of corruption surveys showed that perceptions of corruption in the public sector were on the rise, with 'improper influence' still one of the key behaviours perceived to be at risk of occurring in the workplace.

In response, we launched the second phase of our 'Speak up to stop it' campaign in March 2023 to remind public sector employees about the risks of being improperly influenced to make decisions that are not in the public interest. Using a range of media and education resources, this campaign highlighted our broad-based approach to preventing corruption in Victoria.

We play a key role in ensuring public sector employees can identify and report corruption. Our ongoing prevention and education initiatives will continue to educate the public sector on the risks of corruption, while also promoting a robust integrity culture.

# Public sector oversight

## Strategic focus areas

We continue to identify and monitor emerging trends and areas of risk in the public sector through individual reviews of misconduct and corruption investigations.

Our strategic focus areas guide our work to identify and assist the prevention of public sector corruption, which in 2022/23 were:

- high-risk public sector agencies
- major infrastructure projects
- improper influence.

### High-risk public sector agencies

In 2022/23, we focused on the agencies that were most vulnerable to corruption.

Public sector agencies that hold valuable information or are responsible for high-value investments, planning, outsourcing of public services, and allocation of funding are particularly vulnerable to corruption.

### Parliamentarians and councillors

Building on the perceptions of corruption surveys conducted in 2022, and with public sector and local government employees in 2023, we expanded the survey to include elected representatives for the first time.

In May 2023, all members of Parliament and local government councillors were invited to participate in an online survey to better understand their perceptions of corruption within the Victorian public sector. Insights from the findings are expected to be published in 2023/24.

### Report on agency funding and grants

In 2022/23, we commenced preliminary work on a report examining the risks associated with funding arrangements and grants. This included developing the scope of the project and identifying the relevant investigations that will inform the report. The report will be completed in 2023/24.

## Strategic assessment of water authorities

In 2022/23, we commenced a research project to examine the corruption risks associated with water authorities in Victoria. This project involves close collaboration with the Department of Energy, Environment and Climate Action, its portfolio agencies and other stakeholders to identify corruption risks and develop prevention strategies. This project will develop corruption prevention resources in 2023/24.

### Major infrastructure projects

Major infrastructure projects across state and local government involve significant expenditure, which can make them vulnerable to corruption. In February 2023, IBAC published a research report, *Corruption risks associated with major transport infrastructure projects*, and a red-flags checklist to strengthen the public sector's capacity to detect and prevent corruption.

The development of this report involved workshops and frequent planning and feedback sessions with the Major Transport Infrastructure Authority (MTIA) to identify key corruption risks and relevant prevention and detection strategies.

Following the release of the report, we held a public webinar, 'Big projects, big risks: Corruption risks in major infrastructure projects', to share our findings with the public sector and community. The MTIA participated in this webinar and shared its integrity initiatives and other examples of its corruption prevention measures.

### Improper influence

We continued to prevent and expose improper influence on decision-making in the public sector, with a focus on the influence of lobbyists, donors, government-aligned stakeholders and third-party facilitators. This included publishing special reports on investigations that highlighted the corruption risks of improper influence, with reforms aimed at strengthening accountability and transparency.

# Public sector oversight

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## Special reports

Investigating allegations of corruption and publishing special reports that outline our findings is a key part of our role in preventing and exposing corruption in the public sector.

In 2022/23, we tabled several special reports that identified ongoing corruption risks and made recommendations aimed at addressing them, while also promoting a robust culture of integrity. These special reports included:

- *Operation Watts* (tabled on 20 July 2022)
- *Corruption risks associated with donations and lobbying* (tabled on 12 October 2022)
- *Operation Clara* (tabled on 21 February 2023)
- *Operation Daintree* (tabled on 19 April 2023).

Our special report on the corruption risks associated with donations and lobbying identified several areas of risk, and made recommendations to improve Victoria's donations and lobbying regulations. These recommendations addressed the risks and opportunities for improvement identified in the special report, but also aimed at bringing Victoria's donations and lobbying regulations in line with other states and territories.

Operation Clara investigated allegations that a former government minister engaged in corrupt conduct. Our operation identified conflict of interest provisions which didn't go far enough, systemic corruption vulnerabilities and regulatory weaknesses, and the need for reforms to strengthen the regulation of lobbying in Victoria and prevent improper influence in public decision-making. We added four recommendations to those already presented in our donations and lobbying special report to ensure Victoria's lobbying regulations are in step with other states and territories.

Operation Daintree investigated improper influence that compromised the procurement process for, and subsequent management of, a contract awarded to a union-established training group. The report made 17 recommendations to improve ministerial accountability and the standards of conduct for ministerial advisors. See the case study below for further information about our investigation, highlighting how improper influence compromised the procurement process of a \$1.2 million contract.

Investigating allegations of corruption and publishing special reports that outline our findings is a key part of our role in preventing and exposing corruption in the public sector.

## Case study 3: Operation Daintree

Operation Daintree was an investigation of allegations that the procurement process and awarding of a contract by the then Department of Health and Human Services (DHHS) to the Health Education Federation (HEF) for the delivery of training to health workers in November 2018 constituted serious, corrupt conduct.

We initially referred the matter to the Victorian Ombudsman because the allegations fell below our threshold for investigation.

However, in November 2019, the Victorian Ombudsman notified IBAC that its investigation had identified evidence of pressure exerted on DHHS staff to award the contract to the HEF, which raised reasonable suspicion of corrupt conduct by several ministers and ministerial staff. We then commenced the Operation Daintree investigation.

Our special report on Operation Daintree was tabled in the Victorian Parliament on 18 April 2023, and published on the IBAC website with an easy-to-read summary and short video.

Our investigation found that in October 2018, the then DHHS entered a \$1.2 million contract with the HEF – a recently established entity linked to the Health Workers Union – to provide occupational violence and aggression training to health workers.

Our investigation also found that the then DHHS did not conduct a competitive process before awarding the contract to the HEF and a senior advisor to the Minister for Health had improperly influenced the awarding of the contract to the HEF.

While the evidence in Operation Daintree fell short of 'corrupt conduct' as defined in the IBAC Act, it revealed breaches of the duties and obligations of ministers, ministerial advisors and senior public officers. Such misconduct leaves the public sector vulnerable to corruption.

Our report highlighted:

- the risks that can arise when a government is contracting with an organisation that has connections with the governing party
- issues with the scope of authority of ministerial advisors
- the risks that arise when senior public officers fail to give frank – and potentially unwelcome – advice to their minister.

As a result of Operation Daintree, we made 17 recommendations to ensure ministers have a clear understanding of their obligations for the management of ministerial staff and the role of ministerial advisors is more accountable.

We have asked the Victorian Government to provide a progress report to the Victorian Parliament on the actions taken in response to these recommendations by 31 October 2023, with a further report on those actions by 30 June 2024.

More information about Operation Daintree is available on the IBAC website ([www.ibac.vic.gov.au/operation-daintree-special-report](http://www.ibac.vic.gov.au/operation-daintree-special-report))

## Improper influence campaign

In March 2023, we launched the second phase of our 'Speak up to stop it' campaign to remind Victorian public sector employees that they can be at risk of being improperly influenced (phase 1 was launched in 2021/22).

The campaign was designed to reach public sector employees, including those in government departments and agencies, but also schools, councils and hospitals. Using short videos, Google and social media advertisements, digital banners and guidance materials, our campaign raised awareness of improper influence and why it is important to report it.

Results from our perceptions of corruption surveys released in December 2022 showed that perceptions of public sector corruption were on the rise with improper influence one of the key behaviours perceived to be at risk of occurring in the workplace.

These results indicated that we needed to continue to raise awareness of the risks of improper influence and provide guidance to public sector agencies and employees.

Our campaign is another step towards:

- building resilience against improper influence
- strengthening a culture of integrity in the public sector
- restoring the community's trust in the decisions made by public officers.

# Public sector oversight

## Strategic initiatives

Many of our strategic initiatives benefit both our police oversight work and our public sector oversight work. These include:

- Corruption Prevention Strategy
- enhanced witness liaison
- enhanced complainant experience
- intelligence framework
- investigations framework.

These are discussed in the Police oversight section.

## Corruption Prevention Strategy

As noted in the Police oversight section, our Corruption Prevention Strategy identifies our role to inform, support and educate the public sector and police on the harmful effects of corruption and police misconduct – and how to prevent it. We deliver prevention and education initiatives to a variety of audiences in the public sector.

In 2022/23, implementation of our Corruption Prevention Strategy focused on:

- internal data analytics capability
- communication and engagement activities, with an emphasis on accessible content
- opportunities to collaborate with other agencies on prevention and education initiatives.

The Prevention and Education Advisory Committee was established in October 2022 and includes representatives from the:

- Local Government Inspectorate
- OVIC
- VAGO
- Victorian Ombudsman
- Victorian Public Sector Commission (VPSC).

The committee provides a forum for collaboration on corruption prevention, as well as resources and training for the public sector. We developed a suite of e-learning modules that covered IBAC's role and the Victorian integrity system, as well as a range of corruption prevention topics, including:

- procurement
- conflict of interest
- public interest disclosures.

We also developed a module on the Australian Standard on Fraud and Corruption Control.

These modules will be launched and promoted to public sector agencies and local government in 2023/24.

We refreshed our perceptions of corruption surveys in 2022 and 2023. In 2022, over 12,000 people participated in one of five surveys targeted at:

- public sector and local government employees
- Victoria Police employees
- Victorian Government business suppliers
- the Victorian community.

In 2023, the surveys were expanded to focus on elected representatives for the first time.

As noted in Section 1: Year in review, we also commenced a project to develop an organisational integrity maturity rating system to provide public sector agencies with a consistent way to understand how mature their integrity practices are and where they can be strengthened. A key part of this project was the research and consultation we undertook in 2022/23, which is informing the development of a rating system and options for implementation.

The rating system will enable Victorian Government departments to assess the strength of their integrity systems.

In 2023/24, we will seek input and information from other Victorian integrity agencies on the implementation of the integrity maturity rating system. We will also trial it with selected Victorian Government departments.

## Other core activity

### Prevention and education

In 2022/23, we made presentations at 62 external forums and speaking engagements targeted at the public sector and community (excluding police). Examples of these engagements include:

- ‘What happens when I make a complaint to IBAC?’ webinar held as part of Law Week in May 2023
- joint forums hosted with other integrity agencies on topics such as good governance, information management, privacy awareness and procurement
- induction presentation to new members of Parliament
- presentations to leadership teams within departments, public sector agencies and councils, and at leadership programs and conferences, including at the Institute of Public Administration Australia, Victoria’s Senior Executive Integrity and Ethical Leadership Program, the Victorian Public Sector Commission’s Executive Induction Program, and Municipal Association of Victoria’s Councillor Leadership Conference.

In addition to the reports and resources, we also published a range of education and information resources in 2022/23 to prevent public sector corruption. These resources include podcasts on topics such as working with diverse communities and corruption risks associated with donations and lobbying.

Throughout 2022/23, we liaised with key public sector stakeholders and developed sector profiles for human services, education, transport, local government and Victoria Police. These sector profiles will be launched in 2023/24, with others to follow.

### Complaints and notifications

In 2022/23, IBAC received 1,396 complaints and notifications relating to the public sector. Of these, 59 per cent were complaints and 41 per cent were notifications. Of the total notifications received, 264 were assessable disclosures under the PID Act. There was a 21 per cent decrease in public sector complaints and notifications received in 2022/23, however this is 24 per cent more than we received in 2020/21.

Figure 4: Complaints and notifications received relating to the public sector



# Public sector oversight

## Assessment timeliness

Timeliness targets for public sector complaint and notification assessments were not met in 2022/23. However, timeliness improved 45 per cent compared to the previous reporting period. Although there was a 21 per cent decrease in the number of public sector complaints and notifications received, timeliness results were impacted by legacy matters and complexity. As mentioned in the Police oversight section, one aspect of complexity relates to the number of allegations that make up each complaint or notification.

Table 14: IBAC 2022/23 output performance – public sector complaint assessments

Performance measures	Unit of measure	2022/23 actual	2022/23 target	Variation against target	Result
<b>Timeliness</b>					
PID complaints and notifications assessed within 30 days	Percentage	65	70	-7	<input type="checkbox"/>
Complaints or notifications about public sector corruption assessed by IBAC within 45 days	Percentage	55	85	-35	<input type="checkbox"/>

### Note

A large number of legacy matters were assessed in 2022/23 and this impacted the overall timeliness of complaint assessments. There is also the impact of capacity which is expected to improve with the recruitment of new assessment officer locum roles.

## Assessment of complaints and notifications

Table 15: Public sector complaints and notifications

	2022/23	2021/22	2020/21
<b>Received</b>			
Total complaints and notifications received	1,396	1,763	1,122
• complaints	824	1,392	777
• notifications	572	371	345
- PIDs and PID notifications <sup>(a)</sup>	264	197	238
<b>Assessed</b>			
Total complaints and notifications assessed <sup>(b)</sup>	1,417	1,628	1,134
• complaints	864	1,234	750
• notifications	553	394	384
Warrants investigation or further action <sup>(c)</sup>	351	332	336
<b>Actions</b>			
IBAC review or investigation <sup>(d)</sup>	48	39	47
• preliminary inquiries	3	9	2
• investigations	7	7	17
• reviewed by IBAC	38	23	28

### Notes

<sup>(a)</sup> PIDs and PID notifications are assessable disclosures under the PID Act received by IBAC or notified to IBAC.

<sup>(b)</sup> This figure includes 12 complaints or notifications in relation to the OVIC or Victorian Ombudsman.

<sup>(c)</sup> Warrants investigation or further action includes action by IBAC or another appropriate agency.

<sup>(d)</sup> Review and investigation of matters may arise from a complaint or notification from different reporting period.

# Public sector oversight

Table 16 provides a summary of types of public sector misconduct allegations that we assessed.

**Table 16: Public sector allegations assessed during 2022/23, by issue**

Classification	Allegations assessed by IBAC <sup>(a)</sup> (%)
Breach of professional boundaries	15.5
Bribery and inducements	2.3
Collusion	5.6
Criminal behaviour, drugs and vices	3.1
Extortion	0.3
Favouritism	11.2
Force	4.5
Fraud	5.0
Inaction	29.1
Misuse of resources	9.4
Not in jurisdiction	6.5
Obstruction of justice	5.5
Theft	2.0

## Notes

<sup>(a)</sup> Includes ‘local government’ and ‘other’.

## Investigations

Our objectives for investigations in relation to the public sector are to:

- identify, investigate and expose corrupt conduct
- prioritise the investigation and exposure of serious or systemic corruption.

More information about the investigation of public sector corruption is available on the IBAC website ([www.ibac.vic.gov.au/what-we-investigate](http://www.ibac.vic.gov.au/what-we-investigate)).

In 2022/23, IBAC commenced seven public sector investigations and 10 preliminary inquiries and completed nine investigations and six preliminary inquiries. Table 17 summarises IBAC investigations and preliminary inquiries that began or were completed during 2022/23, and those that remained open at the end of the year.

**Table 17: Investigations and preliminary inquiries – public sector**

	2022/23
Preliminary inquiries commenced <sup>(a)</sup>	10
Investigations commenced <sup>(a)</sup>	7
• Standard investigations commenced	2
• Complex investigations commenced	5
Preliminary inquiries completed	6
Investigations completed	9
• Standard investigations completed	3
• Complex investigations completed	6
Ongoing investigations and preliminary inquiries at 30 June 2023	11

## Notes

<sup>(a)</sup> Own-motion investigations are when we decide to investigate on our own motion without a complaint from an individual or a notification from a public sector body.

Investigation timeliness performance targets were met for both standard and complex investigations into public sector matters.

**Table 18: IBAC 2022/23 output performance – public sector investigations**

Performance measures	Unit of measure	2022/23 actual	2022/23 target	Variation against target (%)	Result
<b>Timeliness</b>					
Proportion of standard IBAC investigations into public sector corrupt conduct completed within nine months	Percentage	67	60	12	✓
Proportion of standard IBAC investigations into public sector corrupt conduct completed within 18 months	Percentage	83	60	38	✓

#### Notes

Results were calculated using new methodology which defines ‘completed’ as when all planned investigation activities have been completed. It does not signal the end of an operation, which may include subsequent activity such as public reporting. The rational for this change includes that IBAC’s performance results should not be impacted by factors outside its control, such as legal challenges to report release. Under the new business rules, eight investigations into public sector corrupt conduct not previously reported as being completed were assessed as having been completed prior to the 2022/23 financial year.

#### Examinations

As part of an investigation, IBAC may hold private and/or public examinations. Examinations are not trials, and do not determine guilt or innocence. Rather, they are an investigative tool, to gather information and support our efforts to expose and prevent corruption and police misconduct.

More information about examinations can found on the IBAC website ([www.ibac.vic.gov.au/ibac-examinations](http://www.ibac.vic.gov.au/ibac-examinations)).

Table 19 provides information on examinations conducted during public sector IBAC investigations.

**Table 19: Examinations undertaken as part of IBAC investigations – public sector**

	2022/23
Private examination days	34
Public examinations days	0
Witnesses called	29

# Public sector oversight

## Outcomes of IBAC investigations

### Recommendations made to the public sector

In 2022/23, we made a total of 44 recommendations to public sector agencies under section 159 of the IBAC Act. One of those recommendations (Recommendation 21 in the special report on Operation Watts) was made to both state and local government. The recommendations aim to address integrity risks, and improve systems and processes.

We also identified four proposed reforms to strengthen donations regulations in our *Corruption risks associated with donations and lobbying* special report.

**Table 20: IBAC Act section 159 recommendations made to the public sector**

Sector	Recommendations made by IBAC
Public sector agencies	44
Local government	1

### Prosecutions – public sector

The number of prosecutions brought by IBAC is only one indicator of performance. Table 21 shows the 2022/23 prosecutions resulting from our public sector investigations.

**Table 21: Prosecutions resulting from IBAC public sector investigations**

Operation	Date	Who	Result
Topi	8 July 2022	Aiden Magnik	Convicted and sentenced to a Community Correction Order (CCO) for two years with 240 hours of community work
Naxos	28 July 2022	Justin Mammarella	Convicted and sentenced to a CCO for three years with 275 hours of community work

## Reviews of public sector investigations

We review public sector investigations into allegations of internal corruption. Reviews can help identify corruption risks, including systemic and organisational issues.

Investigations we review cover topics such as:

- misuse of position or resources to obtain personal benefit
- prison and youth justice officers forming inappropriate relationships with prisoners
- fraud, theft and failure to adhere to financial policies.

In 2022/23, we conducted 38 reviews of public sector investigations.

## **Case study 4: Operation Naxos**

IBAC's Operation Naxos investigated allegations of fraudulent practices within the electorate office of a former member of the Victorian Parliament. The allegations related to the misuse of taxpayer-funded resources to assist Justin Mammarella's preselection campaign for the 2018 Victorian state election through branch stacking.

Operation Naxos resulted in four people being charged, including two former electorate officers previously employed by the Department of Parliamentary Services and a volunteer. The charges related to conspiracy to attempt to pervert the course of justice, perjury, conspiracy to mislead IBAC and disclosure of IBAC information.

In 2018, former Melton mayor and Labor candidate, Justin Mammarella, and his father, Umberto 'Robert' Mammarella, a former electorate officer, conspired to give false evidence to IBAC regarding the use of stationery within the Cairnlea electorate office.

In July 2022, Justin Mammarella pleaded guilty in the Melbourne County Court to conspiring to attempt to pervert the course of justice, perjury and possessing an imitation firearm without the proper permit. He was sentenced to a three-year CCO with 375 hours of community work and fined \$600.

In a previous reporting period, Robert Mammarella pleaded guilty to one charge of conspiring to pervert the course of justice and one charge of perjury. He was sentenced to a three-year CCO and fined \$12,000.

## **Case study 5: Operation Topi**

IBAC commenced Operation Topi in July 2017 after receiving a notification from Frankston City Council.

The IBAC investigation examined procurement practices and found that a council officer played a critical role in assisting a contractor to obtain a significant financial advantage by amending the contractor's invoices so that their value substantially exceeded the original value of associated purchase orders. The council officer also received a financial benefit in the form of payments from the contractor.

In January 2019, IBAC brought criminal proceedings against former Frankston City Council manager, Andrew Williamson, in relation to these procurement activities. IBAC also charged Aiden Magnik, owner of the contractor company that supplied services to Frankston City Council.

Andrew Williamson pleaded guilty and on 22 October 2020 was sentenced on charges of obtaining property by deception, attempting to commit an indictable offence and misconduct in public office. He was sentenced to a 14-month term of immediate imprisonment followed by a CCO.

Aiden Magnik pleaded guilty to obtaining property by deception. On 8 July 2022, he was convicted and sentenced at the Melbourne County Court to a CCO for two years, with an order that he perform 240 hours of community work.

# Section 3

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## Our people and organisation

# Organisational enablement

## Strategic pillar: A progressive and connected workplace

We are a connected, inclusive and flexible organisation. We encourage a safe environment that empowers our leaders to be, and do their best.

### Strategic initiatives

#### People Strategy

IBAC is continuing to work towards our strategic objective of building a progressive and connected workplace through the implementation of our 2022–2023 *People Strategy*. Due to the challenging operational environment, which has been heavily impacted by COVID-19 over the past three years, a review of the 2019–2022 *People Strategy* was undertaken. This was to ensure the objectives and initiatives outlined in our *People Strategy* continue to be relevant post-COVID-19.

With this review undertaken, the key objectives of the *People Strategy* continue to be developed across the three key streams of:

- people
- culture
- capability.

#### People

Under our people stream, we commenced a review of our OHS strategy to ensure our people are supported to improve their wellbeing.

We also streamlined our recruitment and employee onboarding to ensure we have the right people in the right roles at the right time.

A formal review of our payroll practices commenced to identify improvement opportunities with particular comparison to similar agencies across the broader Victorian Public Service (VPS). This review will inform how payroll will be managed in the future.

#### Culture

In 2022/23, we focused on the cultural objectives of the *People Strategy*, with a particular emphasis on developing the organisation's Reconciliation Action Plan (RAP). Key elements of the RAP that have been achieved include:

- AJ Williams-Tchen of Girraway Ganyi Consultancy hosted a panel discussion for our employees, discussing the significance of cultural protocols and sharing what NAIDOC means to them.
- As part of NAIDOC week celebrations, proud Palawa woman Aunty Heather Kennedy unveiled the reconciliation artwork she designed for us as a representation of our journey to create our first RAP. The piece is called 'Coming together' and is on display in our reception area.
- RAP Ambassadors were given the opportunity to attend a National Reconciliation Week breakfast with special guest speaker Aunty Jill Gallagher.

Another key objective in the culture stream is to build a more inclusive and connected workplace by embedding our newly defined values into every aspect of our work. Meaningful values that resonate with our people were designed during the IBAC values refresh program. Our values provide alignment with the IBAC Plan by supporting our vision and our ways of working.

Figure 5: IBAC values



# Organisational enablement

## Capability

Key capability objectives that have been achieved in the People Strategy include the implementation of our service recognition awards program. This program recognises the extremely valuable contribution that IBAC employees have made to the organisation over a sustained period of time.

## IT strategy

The three-year IT strategy concluded this year. This strategy modernised and enhanced our IT systems, setting the foundations for continuous improvement and customer service.

Under the strategy in 2022/23, we:

- implemented a secure cloud infrastructure and migrated our core applications
- consolidated our computer networks, reducing complexity and enhancing security to protect our information
- modernised our telephony systems and call centre, leveraging cloud opportunities
- continued to improve and uplift our maturity against industry IT frameworks for enterprise architecture, data architecture and service management.

With the initiatives delivered under the IT strategy we will continue to enhance our IT capability.

## Other core activity

### Operational capability investment roadmaps

IBAC recognises that we need our operational capabilities to promote effective investigative and prevention outcomes in a rapidly evolving operating environment.

Consequently, we have developed and implemented investment roadmaps to prioritise investment in the technologies and skills that underpin our investigative function. The roadmaps are based on demonstrated business need and address current and emerging capability gaps. This approach provides confidence that investments we make in technical and human capabilities represent value for money, while also addressing any changes in our operating environment and demands on investigative capability.

The roadmaps will be reviewed regularly and represent the Operations division's investment priorities within our broader investment framework.

## Performance measures refresh

We completed a pilot program to review and refresh complaint assessment performance measures during the 2022/23 financial year. This work centred on custom designing performance measures that provide evidence of desired results across a range of performance criteria, including effectiveness and efficiency, with a focus on continuous improvement.

All desired results are mapped and strategically aligned, providing visibility of how each team contributes to IBAC's public value outcomes. Work will continue in 2023/24 for other functions, with a particular focus on measures that quantify IBAC's outcomes and impact.

## Data Governance Community of Practice

The Data Governance Community of Practice group was formed in April 2022 and has been meeting monthly. The purpose of the group is to provide an open forum for employees across IBAC to discuss topics related to data. These range from the highly technical to presentation/visualisation, and from simple data entry to building organisational strategy.

All divisions of IBAC are represented through highly engaged participants, with attendees sharing knowledge, projects, innovations, issues and ideas for solutions to data-related problems. The past financial year has seen a doubling in membership, which has also resulted in increased awareness and communication between teams in their day-to-day work, collaboration on data solutions, sharing of resources, and importantly, a greater understanding of how data is used across all areas of IBAC.

# People and organisation

## Organisational structure

### Ministers

The Attorney-General of Victoria is the responsible minister for IBAC, supported by the Department of Justice and Community Safety.

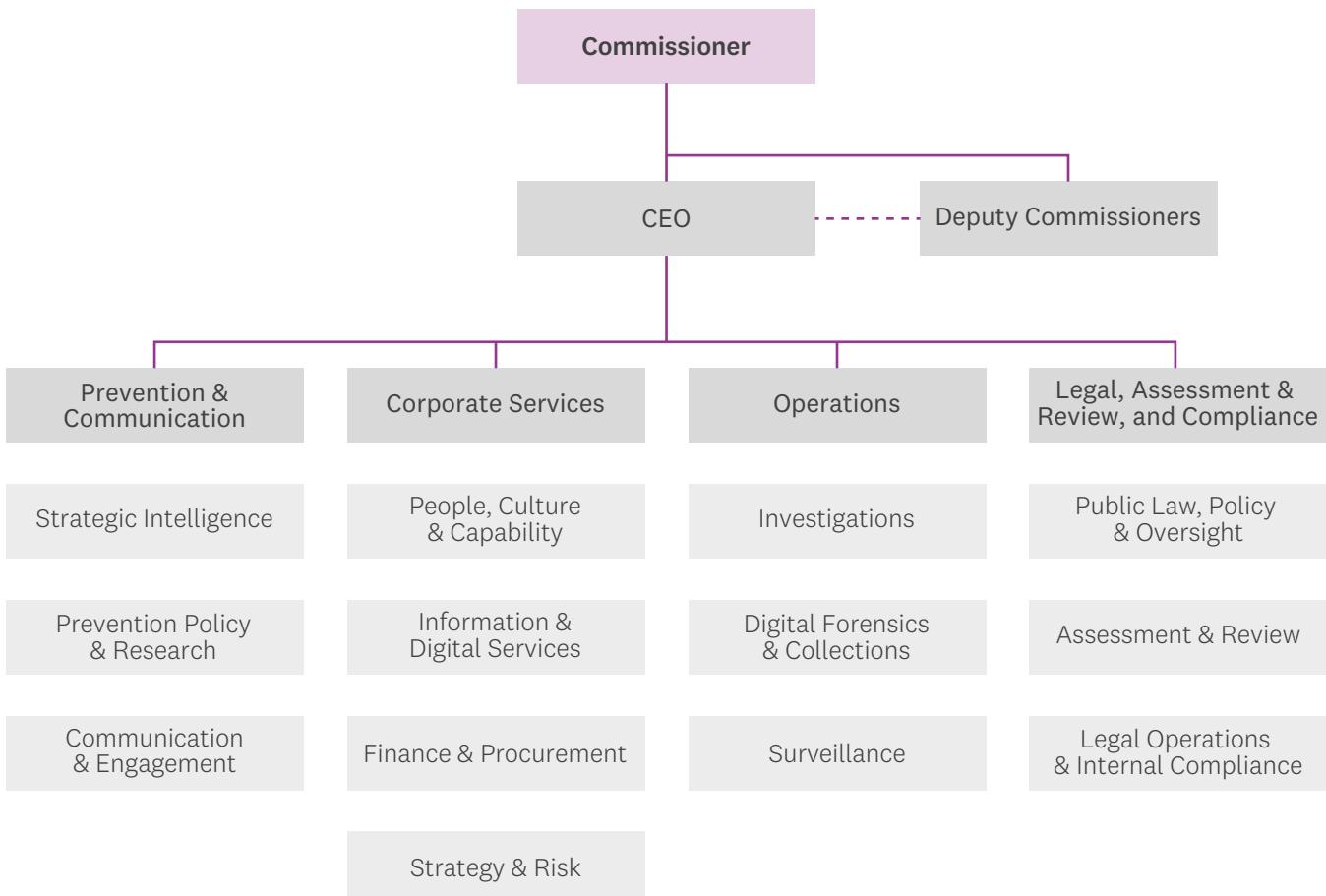
The Honourable Jaclyn Symes, MP was the Attorney-General during the reporting period.

However, IBAC is not subject to the direction or control of the Attorney-General in the performance of its duties and functions, and the exercise of its powers.

The Attorney-General receives reports on IBAC's:

- telecommunications interception warrants
- surveillance device warrants
- assumed identities.

Figure 6: Organisational structure at 30 June 2023



# People and organisation

## Executive team

### IBAC Commissioner

IBAC's Commissioner is an independent officer of Victorian Parliament and is responsible for our strategic leadership.

**The Honourable Robert Redlich AM, KC** began a five-year term as IBAC Commissioner on 1 January 2018, which he completed in December 2022.

Commissioner Redlich was a judge of the Supreme Court of Victoria for 15 years, including 11 years as a judge of the Victorian Court of Appeal. He was a member of the Victorian Bar for 30 years and served for a period as Chairman of the Victorian Bar Council. His significant achievements in legal practice were recognised with his appointment as King's Counsel in 1984.

**Stephen Farrow** joined IBAC in July 2021 as Deputy Commissioner and was appointed Acting Commissioner in December 2022.

Beginning his career as a solicitor, Acting Commissioner Farrow has extensive experience in public law and policy. Mr Farrow was previously the full-time Deputy Chairperson of the Adult Parole Board, the first non-judicial officer appointed to the role in the board's 64-year history. He was Chief Executive Officer (CEO) of the Sentencing Advisory Council from 2008, and has held several roles at the Department of Justice and Community Safety, focusing on terrorism and criminal law reform.

### Chief Executive Officer

IBAC's CEO is responsible for the general conduct and the effective, efficient and economical management of IBAC's functions and activities.

**Marlo Baragwanath** joined IBAC in January 2020. Before this, Ms Baragwanath was the Victorian Government Solicitor, responsible for leading the Victorian Government Solicitor's Office. She began her public sector career at the Victorian Ombudsman, and previously held the roles of General Counsel at WorkSafe Victoria and Director at the Victorian Building Authority.

### Deputy Commissioners

IBAC's Deputy Commissioners assist the Commissioner, performing duties and functions under the IBAC Act.

**David Wolf** joined IBAC in January 2020, bringing a broad range of skills, expertise and deep understanding of regulatory, integrity, communication, public sector and

council administration matters. Prior to joining IBAC, Mr Wolf was Victoria's inaugural Chief Municipal Inspector and head of the Local Government Inspectorate. He has also held positions as Director at the Victorian Building Authority and Deputy Director of Communications at the former Department of Planning and Community Development.

**Kylie Kilgour** joined IBAC in January 2021, bringing with her significant expertise and deep understanding of police regulatory, integrity and administration matters. Ms Kilgour was the CEO of the RCMPI (December 2018 to November 2020). Ms Kilgour has also held various senior leadership roles with the Department of Justice and Community Safety and worked as a lawyer in London and Sydney. Ms Kilgour has a Bachelor of Arts/Bachelor of Laws and was admitted as a legal practitioner by the Supreme Court of New South Wales (NSW) in 2001.

### Executive directors

#### Prevention & Communication

**Linda Timothy** joined IBAC in February 2022. Dr Timothy leads IBAC's Strategic Intelligence, Prevention Policy & Research, and Communication & Engagement teams. She is an experienced leader with significant experience in public policy, stakeholder engagement, marketing and communications, and organisational and legislative reform.

#### Corporate Services

**Glenn Ockerby** leads IBAC's Finance & Procurement, Information & Digital Services, People, Culture & Capability, and Strategy & Risk teams. Mr Ockerby joined IBAC from the Metropolitan Fire Brigade where he was Executive Director, Corporate Services and Chief Financial Officer. Mr Ockerby has broad experience in public and private sector leadership roles, including at the Victorian WorkCover Authority and KPMG Australia.

#### Operations

**Peter Morris** joined IBAC in October 2021. Mr Morris leads the Digital Forensics & Collections, Investigations and Surveillance teams. Before commencing at IBAC, Mr Morris was a partner in the forensic practice of Deloitte, where he specialised in fraud and corruption risk management. He began his career as a sworn member of the Australian Federal Police, where he worked in a range of divisions, including criminal intelligence, fraud and general crime. Mr Morris is an experienced leader with significant experience in law enforcement and professional services firms.

## **Legal, Assessment & Review, and Compliance**

**Stacey Killackey** leads IBAC's Legal, Assessment & Review, and Compliance teams. Before starting at IBAC, she was Director, Workplace and Education Law at the Department of Education and Training. Ms Killackey is an experienced lawyer who has been in practice since 2000, primarily in workplace relations and litigation, and in community legal practice in Darwin. Before working in government, Ms Killackey worked at Corrs Chambers Westgarth.

## **Governance**

Governance refers to the ways in which IBAC is directed, controlled and held to account, both internally and externally.

Internal governance includes IBAC's:

- internal accountability structures (organisational structure and committees)
- strategic direction
- delegations and authorisations
- policies and procedures
- risk and compliance management
- strategy and performance management
- culture (leadership and behaviours)
- assurance mechanisms.

External governance includes the roles, relationships and distribution of powers, accountabilities and responsibilities between Victorian Parliament, the IOC, the Victorian Inspectorate, the Attorney-General, the Department of Justice and Community Safety, OVIC and the VPS.

IBAC's governance arrangements are described in detail in our Governance Charter, available on the IBAC website ([www.ibac.vic.gov.au/governance-charter](http://www.ibac.vic.gov.au/governance-charter)).

## **Audit and Risk Management Committee**

IBAC's Audit and Risk Management Committee met four times in 2022/23, and provided independent advice to the IBAC Commissioner and CEO on:

- the effectiveness of our systems and controls for financial and organisational risk management
- our annual financial statements
- our internal audit function
- recommendations made by internal and external auditors
- actions in response to the audit effectiveness of our compliance management processes and actions to remedy deficiencies in compliance
- compliance with the FM Act Standing Directions 2018.

In 2022/23, the committee was made up of four external, independent members, with one of the independent members appointed as Chair. Remuneration of the external members for the period totalled \$41,552 (excluding GST).

### **Sara Watts (Chair)**

Ms Watts is a non-executive director and audit and risk committee chair. She has worked in sectors including information technology, higher education, arts and disability, and has experience in financial management, technology deployment and governance. Ms Watts holds a Bachelor of Science and a Master of Business Administration, is a Fellow of CPA Australia and a Fellow of the Australian Institute of Company Directors.

### **Geoff Harry**

Mr Harry retired from full-time executive roles in 2014 and has extensive skills in financial reporting, assurance, governance, risk management and control frameworks at both state and local government levels, as well as in the corporate sector. Mr Harry has a Bachelor of Commerce and is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand, a Fellow of CPA Australia and a Graduate Member of the Australian Institute of Company Directors.

### **Jennifer Johanson**

Ms Johanson is an experienced non-executive director in financial services, education and the not-for-profit sector. Her deep capability in governance and risk management is supported by strong communication and negotiation skills, and a background in audit, risk and information technology. Ms Johanson is a chartered accountant and a certified information systems auditor with a Bachelor of Commerce and is a Graduate Member of the Australian Institute of Company Directors.

### **Chris Sheehan**

Mr Sheehan is a senior executive with almost 30 years' international and domestic law enforcement experience in national security, organised crime and crisis management. Mr Sheehan has deep knowledge of investigative management. He specialises in financial management, corporate governance and formulating policy, building trust with all stakeholders to make sure information flows freely.

# People and organisation

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## Occupational health and safety

Throughout 2022/23, we continued to build a strong health and safety culture. This has been reinforced by the ongoing implementation of the *2021 -23 Health Safety and Wellbeing Strategy* (HSW Strategy), which is based on the five key pillars of:

- shared challenges
- leadership
- engagement and culture
- targeted risk programs
- systems and governance.

In March 2023, we undertook an implementation review of the HSW Strategy. This review concluded that we have implemented almost three-quarters of the objectives outlined in the HSW Strategy, with a further six months completion time remaining.

As a result of the implementation of the HSW Strategy, our safety culture has been rated as 'consolidated', according to the Victorian Government's *Leading the Way* framework.

During 2022/23, we continued to introduce several new initiatives to improve the health and safety of our people. These initiatives included the implementation of a Vicarious Trauma training program in the Assessment & Review team. This program was specifically developed to provide mental health and wellbeing support to employees who are exposed to difficult and confronting material on a regular basis. On completion, we will review the program with a view to rolling it out across IBAC.

Another initiative completed in 2023 was the successful implementation of Stopline. This is an independent external channel enabling our people to anonymously report misconduct involving IBAC employees, executive officers, contractors or consultants, on issues including:

- breaches of policy or procedure, or the Code of conduct for Victorian public sector employees
- workplace bullying, harassment and discrimination.

The implementation of Stopline supports our ongoing commitment to a speak-up culture, where all employees are willing and able to ask questions and raise concerns when they witness or experience misconduct.

We also provided a range of health and wellbeing measures throughout the year, including:

- flu vaccinations
- heart checks
- exercise physiologist consultations
- encouraging employees to become more active.

We continued to support the Victorian public sector's Mental Health and Wellbeing Charter by supporting a number of key mental health initiatives across the calendar year, including International Women's Day, Men's Health Week and the International Day Against Homophobia, Biphobia and Transphobia.

Our people participated in a broad range of health and safety training throughout the year. This included health and safety representatives (HSR) completing HSR training and ensuring first aiders maintained their first aid qualifications. All employees were required to participate in Custodians of Culture training, while people leaders completed Respect in the Workplace Training.

Additional training completed included building occupant training, which a high number attended, both onsite and online. This training provides a reminder to all staff about the location of emergency evacuation exits across the building and emergency evacuation meeting points. The training was followed up with an emergency evacuation drill for all onsite staff.

## Workforce inclusion policy

We completed a gender equality audit. In response to the audit findings, and in consultation with our people, we developed our gender equality plan, *Safer, healthier communities: Gender Equality Action Plan 2021–23*. The plan will help us to create a more inclusive working environment where equal opportunity and diversity are valued.

Based on the key objectives outlined in the gender equality plan, IBAC now has:

- improved data collection outlining gender composition and intersectionality within teams to identify imbalances
- strongly advocated for merit-based recruitment processes, within a particular emphasis on ensuring equity across secondment and higher duties opportunities
- a consistent and structured approach to offers of remuneration that are aligned with role clarity and expectations
- gender pay equity reporting
- mandatory training, including Respect in the Workplace Training.

## Employment and conduct principles

Our policies and practices are consistent with the Victorian Public Sector Commission's employment standards, and provide for fair treatment, career opportunities and the early resolution of workplace issues.

We are committed to applying merit and equity principles when appointing staff. The selection processes make sure that applicants are assessed and evaluated fairly and equitably on key selection criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections. See Appendix A: Workforce data for details.

We advise employees on how to avoid conflicts of interest, how to respond to offers of gifts and how we deal with misconduct.

Stopline supports our ongoing commitment to a speak-up culture, where all employees are willing and able to ask questions and raise concerns when they witness or experience misconduct.

# Section 4

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## Financial report

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## Declaration in the financial statements

The attached financial statements for the Independent Broad-based Anti-corruption Commission have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* (Vic), applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and financial position of IBAC at 30 June 2023.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial report to be misleading or inaccurate.

We authorised the attached financial statements for issue on 7 September 2023.



**Stephen Farrow**

Acting Commissioner  
IBAC

Melbourne  
7 September 2023



**Marlo Baragwanath**

Chief Executive Officer  
IBAC

Melbourne  
7 September 2023



**Glenn Ockerby**

Executive Director Corporate Services  
IBAC

Melbourne  
7 September 2023



## Independent Auditor's Report

Victorian Auditor-General's Office

*To the Acting Commissioner of the Independent Broad-based Anti-corruption Commission*

<b>Opinion</b>	<p>I have audited the financial report of the Independent Broad-based Anti-corruption Commission (the commission) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2023</li><li>• comprehensive operating statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• cash flow statement for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• declaration in the financial statements.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the commission as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Acting Commissioner's responsibilities for the financial report</b>	<p>The Acting Commissioner is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Acting Commissioner determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Acting Commissioner is responsible for assessing the commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

<b>Auditor's responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> <li>• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li> <li>• 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 commission's internal control</li> <li>• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Acting Commissioner</li> <li>• conclude on the appropriateness of the Acting 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 commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify 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 commission to cease to continue as a going concern.</li> <li>• evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.</li> </ul> <p>I communicate with the Acting 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.</p>
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Roberta Skliros

*as delegate for the Auditor-General of Victoria*

MELBOURNE  
19 September 2023

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# Financial statements

Comprehensive operating statement for the financial year ended 30 June 2023<sup>(a)</sup>

	Notes	2023 (\$'000)	2022 (\$'000)
<b>Income from transactions</b>			
Output appropriation	2.1	59,027	53,598
<b>Total income from transactions</b>		<b>59,027</b>	<b>53,598</b>
<b>Expenses from transactions</b>			
Employee expenses	3.1.1	38,837	35,762
Depreciation and amortisation	4.1.2	5,087	5,286
Interest expense	6.1.3, 7.1.1	349	537
Other operating expenses	3.2	14,754	15,470
<b>Total expenses from transactions</b>		<b>59,027</b>	<b>57,056</b>
<b>Net result from transactions (net operating balance)</b>		<b>-</b>	<b>(3,458)</b>
<b>Other economic flows included in net result</b>			
Other gains/(losses) from other economic flows	8.2	(176)	371
<b>Total other economic flows included in net result</b>		<b>(176)</b>	<b>371</b>
<b>Net result</b>		<b>(176)</b>	<b>(3,086)</b>
<b>Comprehensive result</b>		<b>(176)</b>	<b>(3,086)</b>

The accompanying notes form part of these financial statements.

## Notes

<sup>(a)</sup> The format of this statement is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

# Financial statements

Balance sheet as at 30 June 2023<sup>(a)</sup>

	Notes	2023 (\$'000)	2022 (\$'000)
<b>Assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	6.2	316	48
Receivables	5.1	18,969	18,830
<b>Total financial assets</b>		<b>19,285</b>	<b>18,878</b>
<b>Non-financial assets</b>			
Non-financial physical assets held for sale	8.7	60	17
Property, plant and equipment	4.1	12,152	14,586
Intangible assets	4.2	102	878
Other non-financial assets	5.3	2,300	1,924
<b>Total non-financial assets</b>		<b>14,614</b>	<b>17,406</b>
<b>Total assets</b>		<b>33,899</b>	<b>36,284</b>
<b>Liabilities</b>			
Payables	5.2	1,778	2,750
Borrowings	6.1	9,169	12,235
Employee-related provisions	3.1.2	8,210	7,486
Other provisions	5.4	121	121
<b>Total liabilities</b>		<b>19,278</b>	<b>22,592</b>
<b>Net assets</b>		<b>14,622</b>	<b>13,693</b>
<b>Equity</b>			
Accumulated surplus		8,070	8,246
Contributed capital		6,552	5,447
<b>Net worth</b>		<b>14,622</b>	<b>13,693</b>

The accompanying notes form part of these financial statements.

Notes

<sup>(a)</sup> The format of this statement is aligned to AASB 1049.

Cash flow statement for the financial year ended 30 June 2023<sup>(a)</sup>

	Notes	2023 (\$'000)	2022 (\$'000)
<b>Cash flows from operating activities</b>			
<b>Receipts and payments</b>			
Receipts from government		58,889	54,983
Goods and services tax from the Australian Taxation Office (ATO) <sup>(b)</sup>		2,133	1,796
<b>Total receipts</b>		<b>61,022</b>	<b>56,779</b>
Payments to suppliers and employees		(56,822)	(51,886)
Interest paid		(349)	(537)
<b>Total payments</b>		<b>(57,171)</b>	<b>(52,423)</b>
<b>Net cash flows from/(used in) operating activities</b>	6.2.1	<b>3,851</b>	<b>4,356</b>
<b>Cash flows from investing activities</b>			
Purchases of non-financial assets		(1,626)	(1,480)
Proceeds from disposal of leased assets		298	308
<b>Net cash flows from/(used in) investing activities</b>		<b>(1,328)</b>	<b>(1,172)</b>
<b>Cash flows from financing activities</b>			
Repayment of principal portion of lease liabilities		(3,360)	(3,231)
Owner contributions by state government appropriation for capital expenditure purposes		1,105	-
<b>Net cash flows from/(used in) financing activities</b>		<b>(2,255)</b>	<b>(3,231)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>268</b>	<b>(47)</b>
Cash and cash equivalents at beginning of financial year		48	95
<b>Cash and cash equivalents at end of financial year</b>	6.2	<b>316</b>	<b>48</b>

The accompanying notes form part of these financial statements.

Notes

<sup>(a)</sup> The format of this statement is aligned to AASB 1049.

<sup>(b)</sup> Goods and services tax recovered from the ATO is presented on a net basis.

## Financial statements

Statement of changes in equity for the financial year ended 30 June 2023<sup>(a)</sup>

	Accumulated surplus (\$'000)	Contributed capital (\$'000)	Total (\$'000)
<b>Balance at 30 June 2021</b>	<b>11,333</b>	<b>5,447</b>	<b>16,780</b>
Net result for the year	(3,086)	–	(3,086)
<b>Balance at 30 June 2022</b>	<b>8,246</b>	<b>5,447</b>	<b>13,693</b>
Net result for the year	(176)	–	(176)
Capital appropriations	–	1,105	1,105
<b>Balance at 30 June 2023</b>	<b>8,070</b>	<b>6,552</b>	<b>14,622</b>

The accompanying notes form part of these financial statements.

Notes

<sup>(a)</sup> The format of this statement is aligned to AASB 1049.

# Notes to the financial statements

## 1. About this report

This annual financial report represents the audited general-purpose financial report for IBAC for the year ended 30 June 2023. The purpose of this report is to provide users with information about IBAC's stewardship of resources entrusted to it.

The financial report covers the controlled operations of IBAC as a reporting entity.

IBAC is constituted by the IBAC Act. Our principal address is Level 1, North Tower, 459 Collins Street, Melbourne Vic 3000.

A description of the nature of IBAC's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

### 1.1 Basis of preparation

These financial statements:

- are presented in Australian dollars
- are rounded to the nearest \$1,000 unless otherwise stated
- are prepared in accordance with the historical cost convention unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis
- apply accrual basis of accounting whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of the Australian Accounting Standards Board (AASB) 1004 *Contributions*:

- contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and therefore, do not form part of the income and expenses of IBAC
- additions to net assets which have been designated as contributions by owners are recognised as contributed capital
- other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading 'Significant judgement or estimates'.

### 1.2 Compliance information

This general-purpose financial report has been prepared in accordance with the FM Act and applicable AASs, which include interpretations issued by the AASB. In particular, it is presented in a manner consistent with the requirements of the AASB 1049.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

# Notes to the financial statements

## 2. Funding delivery for our services

The primary purpose of IBAC is to strengthen the integrity of the Victorian public sector and to enhance community confidence in public sector accountability.

### 2.1 Appropriation

	2023 (\$'000)	2022 (\$'000)
Output appropriation	59,027	53,598
<b>Total income from transactions</b>	<b>59,027</b>	<b>53,598</b>

Once annual parliamentary appropriations are applied by the Treasurer, they become controlled by IBAC and are recognised as income when applied for the purposes defined under the relevant Appropriations Act.

**Output appropriations:** Income from the output appropriation is recognised when the outputs have been delivered, and the Assistant Treasurer or the Treasurer has certified delivery of the outputs in accordance with specified performance criteria, as outlined in the Department of Treasury and Finance budget papers.

### 2.2 Summary of compliance with annual parliamentary and special appropriations

	Appropriations Act		Financial Management Act	
	Annual appropriation (\$'000)	Advance from Treasurer (\$'000)	Section 30 (\$'000)	Section 32 (\$'000)
<b>2023</b>				
<b>Controlled</b>				
Provision of outputs	54,895	4,732	(600)	–
Additions to net asset base	–	1,105	600	70
<b>Total</b>	<b>54,895</b>	<b>5,837</b>	–	<b>70</b>
<b>2022</b>				
<b>Controlled</b>				
Provision of outputs	52,988	610	–	–
Additions to net asset base	–	–	–	–
<b>Total</b>	<b>52,988</b>	<b>610</b>	–	–

#### Notes

<sup>(a)</sup> The variance relates to Treasurer's approval of a transfer of \$600,000 from operating to capital funding over two years under sections 30 and 32 of the FM Act. The total additions to net asset base for 2022/23 include \$120,000 approved for 2022/23 and the remaining \$480,000 will be applied in 2023/24.

### 3. The cost of delivering services

This section provides an account of the expenses incurred by IBAC in delivering services and outputs. In Note 1, the funds that enable the provision of services were disclosed and, in this note, the costs associated with provision of services are recorded.

#### 3.1 Expenses incurred in the delivery of services

##### 3.1.1 Employee benefits in the comprehensive operating statement

Total Parliamentary Authority (\$'000)	Appropriations applied (\$'000)	Variance <sup>(a)</sup> (\$'000)	2023 (\$'000)	2022 (\$'000)
59,027	59,027	-	35,496	32,776
1,775	1,105	670	3,271	2,850
<b>60,802</b>	<b>60,132</b>	<b>670</b>	<b>54</b>	<b>122</b>
			<b>Defined benefit superannuation expense</b>	<b>16</b>
			<b>Total employee expenses</b>	<b>38,837</b>
				<b>35,762</b>
53,598	53,598	-		
-	-	-		
<b>53,598</b>	<b>53,598</b>	<b>-</b>		

Employee expenses include all costs related to employment, including wages and salaries, superannuation, fringe benefits and payroll tax, leave entitlements, termination payments and WorkCover premiums. Employee expenses are recognised in the period in which the employee expenses are incurred.

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when IBAC is either demonstrably committed to terminating the employment of current employees according to a detailed formal plan which has no possibility of withdrawal or providing termination benefits because of an offer made to encourage voluntary redundancy.

# Notes to the financial statements

## 3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered. Assumptions for employee benefit provisions are made based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates.

	2023 (\$'000)	2022 (\$'000)
<b>Current provisions</b>		
<b>Current employee benefits – annual leave</b>		
Unconditional and expected to settle within 12 months	1,929	1,834
Unconditional and expected to settle after 12 months	617	679
<b>Current employee benefits – LSL</b>		
Unconditional and expected to settle within 12 months	456	563
Unconditional and expected to settle after 12 months	3,089	2,635
<b>Total current employee benefits</b>	<b>6,090</b>	<b>5,710</b>
<b>Current provisions for on-costs</b>		
Unconditional and expected to settle within 12 months	411	420
Unconditional and expected to settle after 12 months	645	581
<b>Total current on-costs</b>	<b>1,055</b>	<b>1,001</b>
<b>Total current provisions</b>	<b>7,146</b>	<b>6,711</b>
<b>Non-current provisions</b>		
Employee benefits	912	659
On-costs	152	116
<b>Total non-current provisions</b>	<b>1,064</b>	<b>775</b>
<b>Total provisions</b>	<b>8,210</b>	<b>7,486</b>

## Reconciliation of movement in on-cost provision

	2023 (\$'000)	2022 (\$'000)
<b>Opening balance</b>	<b>1,117</b>	<b>933</b>
Additional provisions recognised	572	642
Increase/(reduction) resulting from remeasurement	46	(35)
Reductions arising from payments/other sacrifices of future economic benefits	(527)	(424)
<b>Closing balance</b>	<b>1,208</b>	<b>1,117</b>
Current	1,055	1,001
Non-current	152	116
<b>Total</b>	<b>1,208</b>	<b>1,117</b>

### Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries (including non-monetary benefits, and annual leave and on-costs) are recognised as part of employee benefit provision as current liabilities and measured at undiscounted rates because IBAC does not have an unconditional right to defer settlements of these liabilities and expects these liabilities to be wholly settled within 12 months of the reporting date.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

### Long service leave

Unconditional LSL is disclosed as a current liability, even where IBAC does not expect to settle the liability within 12 months, because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value – if IBAC expects to wholly settle within 12 months
- present value – if IBAC does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates, for which it is then recognised as an 'other economic flow' in the net result.

# Notes to the financial statements

## 3.1.3 Superannuation contributions

Employees of IBAC are entitled to receive superannuation benefits and IBAC contributes to both defined benefit and defined contribution plans for its employees. The defined benefit plan provides benefits based on years of service and final average salary, while the defined contribution plan provides benefits based on the amount contributed into the fund by IBAC based on a fixed percentage of the employees' salaries.

Superannuation contributions paid or payable for the reporting period are included as part of employee benefits in IBAC's comprehensive operating statement.

The name, details and amounts expensed in relation to the major employee superannuation funds and contributions made by IBAC are shown in the following table.

Fund	Paid contribution for the year		Contributions outstanding as at year end	
	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)
<b>Defined benefit plan</b>				
State Superannuation Fund – revised and new	16	14	–	–
<b>Defined contribution plans</b>				
Aware Super (formerly VicSuper)	1,575	1,405	–	–
Australian Super	414	297	–	–
Employer Superannuation	391	329	–	–
Host Plus Super	153	131	–	–
Other	738	688	–	–
<b>Total</b>	<b>3,287</b>	<b>2,864</b>	–	–

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

IBAC does not recognise any defined benefit liabilities, because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance discloses in its annual financial report the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the state as the sponsoring employer).

### 3.2 Other operating expenses

	2023 (\$'000)	2022 (\$'000)
Contractors and professional services	6,022	6,636
Technology service costs	3,566	3,465
Accommodation and property expense	2,031	1,840
Other	1,561	1,827
Training	638	555
Communications and office expenses	271	536
Travel and transport	393	306
Preparation, publication and communication of IBAC reports	272	304
<b>Total other operating expenses</b>	<b>14,754</b>	<b>15,470</b>

Other operating expenses, which generally represent the day-to-day running costs incurred in normal operations, are recognised as an expense in the reporting period in which they are incurred.

# Notes to the financial statements

## 4. Key assets available to support output delivery

IBAC controls assets that are used to fulfil its objectives and conduct its activities. They represent the key resources that have been entrusted to IBAC to be used for the delivery of those outputs.

### 4.1 Total key assets

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)
Buildings at fair value	18,324	18,324	11,673	8,755	6,651	9,569
Leasehold improvements at fair value	12,082	11,849	11,083	10,715	999	1,133
Capital work in progress at cost	84	373	–	–	84	373
Computer and communication equipment at fair value	8,178	6,521	5,249	4,553	2,929	1,968
Plant and equipment at fair value	3,108	3,049	2,880	2,780	228	269
Motor vehicles at fair value	1,811	1,844	549	570	1,262	1,274
<b>Total</b>	<b>43,588</b>	<b>41,959</b>	<b>31,434</b>	<b>27,372</b>	<b>12,152</b>	<b>14,586</b>

#### 4.1.1 Total right-of-use assets: buildings and motor vehicles

The following table is a subset of total key assets by right-of-use assets.

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)
Buildings at fair value	18,324	18,324	11,673	8,755	6,651	9,569
Motor vehicles at fair value	1,766	1,798	504	524	1,262	1,274
<b>Total</b>	<b>20,090</b>	<b>20,122</b>	<b>12,177</b>	<b>9,279</b>	<b>7,913</b>	<b>10,843</b>
			<b>Buildings at fair value (\$'000)</b>		<b>Motor vehicles at fair value (\$'000)</b>	
<b>Opening balance – 1 July 2022</b>			<b>9,569</b>			<b>1,274</b>
Additions			–			459
Disposals			–			(148)
Depreciation			(2,918)			(263)
Transfers to asset held for sale			–			(60)
<b>Closing balance – 30 June 2023</b>			<b>6,651</b>			<b>1,262</b>
<b>Opening balance – 1 July 2021</b>			<b>11,345</b>			<b>1,124</b>
Additions			–			616
Disposals			–			(169)
Adjustment/reclassification			1,641			–
Depreciation			(3,418)			(280)
Transfers to asset held for sale			–			(17)
<b>Closing balance – 30 June 2022</b>			<b>9,569</b>			<b>1,274</b>

# Notes to the financial statements

## Initial recognition

Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

## Right-of-use asset acquired as lessee

IBAC recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received, plus
- any initial direct costs incurred.

## Subsequent measurement

Property, plant and equipment, as well as right-of-use assets under leases, are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised in the following paragraphs by asset category. Additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

## Right-of-use asset as lessee

IBAC depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of right-of-use asset or the end of the lease term. Right-of-use assets are also subject to revaluation.

In addition, right-of-use assets is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

## Leasehold improvements

Leasehold improvements are valued using the current replacement cost method, which is a reasonable approximation of fair value as the asset is depreciated over the term of the lease, reflecting the consumption of economic resources over the period of the agreement.

## Computer, communication equipment, and plant and equipment

Computer, communication equipment, and plant and equipment are held at fair value. As these assets are specialised in use and rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

## Motor vehicles

Motor vehicles are valued using the current replacement cost method. IBAC acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers who set the relevant depreciation rates to reflect vehicle use.

## Impairment

Non-financial physical assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an other economic flow, except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that class of asset.

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for the continued use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

#### 4.1.2 Depreciation and amortisation

##### Charge for the period

	2023 (\$'000)	2022 (\$'000)
Buildings – right of use	2,918	3,417
Leasehold improvements	368	285
Computer and communication equipment	696	661
Plant and equipment	120	188
Motor vehicles	263	266
Intangible assets	721	474
<b>Total depreciation and amortisation</b>	<b>5,087</b>	<b>5,286</b>

All property, plant and equipment, and other non-financial physical assets that have finite useful lives are depreciated.

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. The following are typical estimated useful lives for the different asset classes for current and prior years.

##### Useful life of assets

Asset	Useful life	
Buildings – right of use	3–13 years	The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjustments made where appropriate.
Leasehold improvements	3–13 years	Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where IBAC obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that IBAC will exercise a purchase option, IBAC depreciates the right-of-use asset over its useful life.
Computer and communication equipment	3–5 years	Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.
Plant and equipment	3–10 years	
Motor vehicles (including right of use)	2–5 years	
Intangible assets	3–6 years	

# Notes to the financial statements

## 4.1.3 Reconciliation of movements in carrying values of key assets

	Buildings - right of use		Leasehold improvements		Capital work in progress at cost	
	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)
Opening balance	9,568	11,345	1,133	1,289	373	764
Additions	-	-	-	-	1,681	966
Disposals	-	-	-	-	-	-
Adjustment/reclassification <sup>(a)</sup>	-	1,641	-	-	-	-
Capitalisation from capital work in progress	-	-	233	129	(1,970)	(1,357)
Depreciation	(2,918)	(3,418)	(368)	(285)	-	-
Transfers to asset held for sale	-	-	-	-	-	-
<b>Closing balance</b>	<b>6,650</b>	<b>9,569</b>	<b>999</b>	<b>1,133</b>	<b>84</b>	<b>373</b>

### Notes

<sup>(a)</sup> During 2021/22, the building right-of-use assets were adjusted as the result of rent review. The equivalent amount has been adjusted in lease liability.

Computer and communication equipment at fair value		Plant and equipment at fair value		Motor vehicles at fair value		Total	
2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)
1,968	1,253	271	379	1,274	1,124	14,586	16,153
–	183	–	44	459	616	2,140	1,809
–	–	–	–	(148)	(169)	(148)	(169)
–	–	–	–	–	–	–	1,641
1,657	1,192	80	36	–	–	–	–
(696)	(661)	(120)	(188)	(263)	(280)	(4,366)	(4,832)
–	–	–	–	(60)	(17)	(60)	(17)
<b>2,930</b>	<b>1,968</b>	<b>228</b>	<b>271</b>	<b>1,262</b>	<b>1,274</b>	<b>12,152</b>	<b>14,586</b>

## Notes to the financial statements

### 4.2 Intangible assets

	Intangible assets		Capital work in progress at cost		Total	
	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)	2023 (\$'000)	2022 (\$'000)
<b>Gross carrying amount</b>						
<b>Opening balance</b>	1,920	1,675	72	30	1,992	1,705
Additions	–	–	–	287	–	287
Adjustment/reclassification <sup>(a)</sup>	–	–	(54)	–	(54)	–
Capitalisation from capital work in progress	18	245	(18)	(245)	–	–
<b>Closing balance</b>	<b>1,938</b>	<b>1,920</b>	<b>–</b>	<b>72</b>	<b>1,938</b>	<b>1,992</b>
 <b>Accumulated depreciation, amortisation and impairment</b>						
<b>Opening balance</b>	(1,114)	(640)	–	–	(1,114)	(640)
Amortisation	(721)	(474)	–	–	(721)	(474)
<b>Closing balance</b>	<b>(1,835)</b>	<b>(1,113)</b>	<b>–</b>	<b>–</b>	<b>(1,835)</b>	<b>(1,113)</b>
<b>Net book value at end of financial year</b>	<b>102</b>	<b>806</b>	<b>–</b>	<b>72</b>	<b>102</b>	<b>877</b>

### Notes

<sup>(a)</sup> During 2023 a total of \$54,998 have been reclassified as operating expenditure. This was recognised as a capital expenditure in 2022.

## **Initial recognition**

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following are demonstrated:

- technical feasibility of completing the intangible asset so that it will be available for use or sale
- intention to complete the intangible asset and use or sell it
- ability to use or sell the intangible asset
- intangible asset will generate probable future economic benefits
- availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- ability to measure reliably the expenditure attributable to the intangible asset during its development.

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 *Intangible Assets* is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

## **Subsequent measurement**

Intangible produced assets with finite useful lives are amortised as an ‘expense from transactions’ on a straight-line basis over their useful lives. Intangible assets have useful lives of between three to six years.

Intangible non-produced assets with finite lives are amortised as an ‘other economic flow’ on a straight-line basis over their useful lives. The amortisation period is three to six years.

## **Impairment of intangible assets**

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

## **Significant intangible assets**

IBAC has capitalised software development expenditure for the development of its Case Management System (CMS). The carrying amount of the CMS is \$102,525 (2022: \$805,622). Its useful life is five years and will be fully amortised in August 2023.

# Notes to the financial statements

## 5. Other assets and liabilities

This section sets out those assets and liabilities that arose from IBAC's controlled operations.

### 5.1 Receivables

	2023 (\$'000)	2022 (\$'000)
<b>Contractual</b>		
Other receivables	6	2
<b>Statutory</b>		
Amount owing from government	18,963	18,828
<b>Total receivables</b>	<b>18,969</b>	<b>18,830</b>
Represented by:		
Current receivables	17,905	18,055
Non-current receivables	1,064	775

**Contractual receivables** are classified as financial instruments and categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, they are measured at amortised cost using the effective interest method, less any impairment.

**Statutory receivables** do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. IBAC applies AASB 9 *Financial Instruments* (AASB 9) for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

### 5.2 Payables

	2023 (\$'000)	2022 (\$'000)
<b>Contractual</b>		
Supplies and services	1,753	2,729
<b>Statutory</b>		
Fringe benefits tax (FBT) payable	25	21
<b>Total payables</b>	<b>1,778</b>	<b>2,750</b>

All payables are current.

**Contractual payables** are classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to IBAC prior to the end of the financial year that are unpaid.

**Statutory payables** are recognised and measured similarly to contractual payables but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contract.

Payables for supplies and services have an average credit period of 30 days and are paid within credit terms. As part of the government's Economic Stimulus Package to assist businesses during the COVID-19 pandemic, the payment terms have been changed to 10 days. There are no material payables that are determined to be impaired.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

### 5.2.1 Maturity analysis of contractual payables

At 30 June 2023, the carrying and nominal amounts of contractual payables were \$1,753,157 (2022: \$2,729,336).

				Maturity dates		
	Carrying amount (\$'000)	Nominal amount (\$'000)	Less than 1 month (\$'000)	1–3 months (\$'000)	3 months to 1 year (\$'000)	1–5 years (\$'000)
<b>2023</b>						
<b>Contractual</b>						
Supplies and services	1,753	1,753	1,753	–	–	–
<b>Statutory</b>						
FBT payable	25	25	25	–	–	–
<b>Total</b>	<b>1,778</b>	<b>1,778</b>	<b>1,778</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>2022</b>						
<b>Contractual</b>						
Supplies and services	2,729	2,729	2,729	–	–	–
<b>Statutory</b>						
FBT payable	21	21	21	–	–	–
<b>Total</b>	<b>2,750</b>	<b>2,750</b>	<b>2,750</b>	<b>–</b>	<b>–</b>	<b>–</b>

# Notes to the financial statements

## 5.3 Other non-financial assets

	2023 (\$'000)	2022 (\$'000)
<b>Current other assets</b>		
Prepayments	1,488	1,710
<b>Total current other assets</b>	<b>1,488</b>	<b>1,710</b>
 <b>Non-current other assets</b>		
Prepayments	812	214
<b>Total non-current other assets</b>	<b>812</b>	<b>214</b>
<b>Total other non-financial assets</b>	<b>2,300</b>	<b>1,924</b>

Other non-financial assets include prepayments for rental, hardware and software maintenance, and licences. Prepayments represent payments in advance of receipt of goods or services or that form part of expenditure made in one accounting period covering a term extending beyond that period.

## 5.4 Other provisions

Other provisions consist of a make good provision relating to IBAC-specific building modification. Management has made a judgment that it is almost certain that IBAC will be required to make good for this modification, therefore, a provision has been raised. At 30 June 2023, the make good provision classified as non-current is \$121,000 (2022: \$121,000).

Other provisions are recognised when IBAC has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using discount rates that reflect the time, value of money and risks specific to the provision.

## 6. Financing our operations

This section provides information on the sources of finance used by IBAC during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of IBAC.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

### 6.1 Borrowings

	2023 (\$'000)	2022 (\$'000)
<b>Current borrowings</b>		
Lease liabilities <sup>(a)</sup>	2,798	3,328
<b>Total current borrowings</b>	<b>2,798</b>	<b>3,328</b>
 <b>Non-current borrowings</b>		
Lease liabilities <sup>(a)</sup>	6,371	8,907
<b>Total non-current borrowings</b>	<b>6,371</b>	<b>8,907</b>
<b>Total borrowings</b>	<b>9,169</b>	<b>12,235</b>

#### Notes

<sup>(a)</sup> Secured by assets leased. Lease liabilities are effectively secured, as the rights to the leased assets revert to the lessor in the event of default.

IBAC's borrowings consist of leases. Borrowings are classified as financial instruments and interest-bearing liabilities are measured at amortised cost.

### 6.1.1 Maturity analysis of borrowings

	Maturity dates					
	Carrying amount (\$'000)	Nominal amount (\$'000)	Less than 1 month (\$'000)	1–3 months (\$'000)	3 months to 1 year (\$'000)	1–5 years (\$'000)
<b>2023</b>						
Lease liabilities	9,169	9,631	566	618	2,814	5,633
<b>Total</b>	<b>9,169</b>	<b>9,631</b>	<b>566</b>	<b>618</b>	<b>2,814</b>	<b>5,633</b>
<b>2022</b>						
Lease liabilities	12,235	13,033	487	604	3,108	8,834
<b>Total</b>	<b>12,235</b>	<b>13,033</b>	<b>487</b>	<b>604</b>	<b>3,108</b>	<b>8,834</b>

### Leases

Information about leases for which IBAC is a lessee is presented below.

### IBAC's leasing activities

IBAC leases its office premises and motor vehicles. The lease contracts are typically made for fixed periods of two to 13 years with an option to renew the lease after that date.

### 6.1.2 Right-of-use assets

Right-of-use assets are presented in Note 4.1.1.

### 6.1.3 Amounts recognised in the comprehensive operating statement

The following table shows the amounts that are recognised in the comprehensive operating statement as relating to leases.

	2023 (\$'000)	2022 (\$'000)
Interest expense on lease liabilities	349	537
<b>Total amount recognised in the comprehensive statement</b>	<b>349</b>	<b>537</b>

# Notes to the financial statements

## 6.1.4 Amounts recognised in the statement of cash flows

The following table shows the amounts that are recognised in the statement of cash flows for the year ending 30 June 2023 relating to leases.

	2023 (\$'000)	2022 (\$'000)
Interest expense on lease liabilities	349	537
Repayment of principal portion of lease liabilities	3,360	3,231
<b>Total amount recognised in the cash outflow statement for leases</b>	<b>3,709</b>	<b>3,768</b>

For any new contracts entered into, IBAC considers whether a 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’. To apply this definition, IBAC assesses whether the contract meets three key evaluations:

- whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to IBAC, and for which the supplier does not have substantive substitution rights
- whether IBAC has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract, and IBAC has the right to direct the use of the identified asset throughout the period of use
- whether IBAC has the right to take decisions in respect of ‘how and for what purpose’ the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019. IBAC operating leases prior to 1 July 2019, were recognised as an operating expenditure and were not recognised in the balance sheet. From 1 July 2019, all leases except short-term and low-value leases are recognised in the balance sheet.

## Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

## Recognition and measurement of lease Liability as a lessee

### Lease liability – initial measurement

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 IBAC’s incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- payments arising from purchase and termination options reasonably certain to be exercised.

### Lease liability – subsequent measurement

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, or if there are changes to in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use is reduced to zero.

### Presentation of right-of-use assets and lease liabilities

IBAC presents right-of-use assets as ‘property plant and equipment’ unless they meet the definition of investment property, in which case they are disclosed as ‘investment property’ in the balance sheet. Lease liabilities are presented as ‘borrowings’ in the balance sheet.

## 6.2 Cash flow information and balances

Cash and cash equivalents comprise cash on hand and cash at bank.

	2023 (\$'000)	2022 (\$'000)
Cash and cash equivalents	316	48
<b>Balance as per cash flow statement</b>	<b>316</b>	<b>48</b>

### Reconciliation of net results for the period to cash flow from operating activities

	2023 (\$'000)	2022 (\$'000)
<b>Net result for the period</b>	<b>(176)</b>	<b>(3,086)</b>
<b>Non-cash movements</b>		
Depreciation of non-current assets	5,087	5,286
Other non-cash movements	(298)	(308)
<b>Movements in assets and liabilities</b>		
Decrease/(Increase) in receivables	(139)	1,388
Decrease/(Increase) in other non-financial assets	(376)	(304)
(Decrease)/Increase in payables	(971)	694
(Decrease)/Increase in provisions	724	686
<b>Net cash flows from operating activities</b>	<b>3,851</b>	<b>4,355</b>

# Notes to the financial statements

## 6.3 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed at their nominal value and exclusive of the GST payable. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

### Total commitments payable

	Less than 1 year (\$'000)	1-5 years (\$'000)	More than 5 years (\$'000)	Total (\$'000)
<b>2023</b>				
<b>Capital expenditure commitments</b>				
IT systems and hardware	512	-	-	512
<b>Total capital expenditure commitments</b>	<b>512</b>	-	-	<b>512</b>
<b>Other commitments</b>				
Other contractual	2,258	2,963	-	5,221
<b>Total other commitments</b>	<b>2,258</b>	<b>2,963</b>	-	<b>5,221</b>
<b>Total commitments</b>	<b>2,771</b>	<b>2,963</b>	-	<b>5,733</b>
<b>2022</b>				
<b>Capital expenditure commitments</b>				
Computer system	70	-	-	70
<b>Total capital expenditure commitments</b>	<b>70</b>	-	-	<b>70</b>
<b>Other commitments</b>				
Other contractual	2,102	272	-	2,374
<b>Total other commitments</b>	<b>2,102</b>	<b>272</b>	-	<b>2,374</b>
<b>Total commitments</b>	<b>2,172</b>	<b>272</b>	-	<b>2,444</b>

## 7. Risks, contingencies and valuation judgements

IBAC is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements.

This section sets out financial instrument specific information (including exposures to financial risks), as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for IBAC related mainly to fair value determination.

### 7.1 Financial instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of IBAC's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

#### Categories of financial instruments

##### Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by IBAC to collect the contractual cash flows
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method, less any impairment.

IBAC recognises the following assets in this category:

- cash and cash equivalents, \$316,312 (2022: \$47,838)
- receivables (excluding statutory receivables), \$6,293 (2022: \$1,818).

##### Financial liabilities at amortised costs

Financial liabilities at amortised costs are initially recognised on the date they originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost, with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest method. IBAC recognises the following liabilities in this category:

- payables (excluding statutory payables), \$1,753,157 (2022: \$2,729,336)
- borrowings (including lease liabilities), \$9,169,420 (2022: \$12,235,000).

**Derecognition of financial assets:** A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- IBAC has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset; or
  - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where IBAC has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of IBAC's continuing involvement in the asset.

**Derecognition of financial liabilities:** A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

# Notes to the financial statements

## 7.1.1 Financial instruments: Net holding gain/(loss) on financial instruments by category

	Total interest income/(expense) (\$'000)	Total (\$'000)
<b>2023</b>		
<b>Contractual financial liabilities</b>		
Financial liabilities at amortised cost	(349)	(349)
<b>Total contractual financial liabilities</b>	<b>(349)</b>	<b>(349)</b>
<b>2022</b>		
<b>Contractual financial liabilities</b>		
Financial liabilities at amortised cost	(537)	(537)
<b>Total contractual financial liabilities</b>	<b>(537)</b>	<b>(537)</b>

The net holding gains or losses disclosed above are determined as follows:

- for financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost.

## 7.1.2 Financial risk management objectives and policies

As a whole, IBAC's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 7.1.

The main purpose in holding financial instruments is to prudentially manage IBAC's financial risks within the government policy parameters.

IBAC's main financial risks include credit risk, liquidity risk and interest rate risk. IBAC manages these financial risks in accordance with its financial risk management policy.

IBAC uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Chief Financial Officer.

### Financial instruments: credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. IBAC's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to IBAC. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with IBAC's contractual financial assets is minimal because the main debtor is the Victorian Government.

In addition, IBAC does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, IBAC's policy is to only deal with banks with high credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

There has been no material change to IBAC's credit risk profile in 2022/23.

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## **Impairment of financial assets under AASB 9**

IBAC records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's expected credit loss approach. Subject to AASB 9's impairment assessment, includes IBAC's contractual receivables, statutory receivables and its investment in debt instruments.

### **Contractual receivables at amortised cost**

IBAC applies AASB 9's simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates.

### **Financial instruments: liquidity risk**

Liquidity risk arises from being unable to meet financial obligations as they fall due. IBAC operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

IBAC is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet. IBAC's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

## **Financial instruments: interest rate risk**

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. IBAC does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. IBAC manages this risk by mainly undertaking fixed rate or non-interest-bearing financial instruments with relatively even maturity profiles.

The carrying amounts of financial assets and financial liabilities exposed to interest rates are set out in the following table.

# Notes to the financial statements

## Interest rate exposure of financial instruments

	Interest rate exposure			
	Weighted average interest rate (%)	Carrying amount <sup>(a)</sup> (\$'000)	Fixed interest rate (\$'000)	Non-interest-bearing (\$'000)
<b>2023</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	316	-	316
Receivables	-	6	-	6
<b>Total financial assets</b>	<b>-</b>	<b>322</b>	<b>-</b>	<b>322</b>
<b>Financial liabilities</b>				
<i>Payables</i>				
Supplies and services	-	1,753	-	1,753
<i>Borrowings</i>				
Lease liabilities	1.81	9,169	9,169	-
<b>Total financial liabilities</b>	<b>-</b>	<b>10,922</b>	<b>9,169</b>	<b>1,753</b>
<b>2022</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	48	-	48
Receivables	-	2	-	2
<b>Total financial assets</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>50</b>
<b>Financial liabilities</b>				
<i>Payables</i>				
Supplies and services	-	2,729	-	2,729
<i>Borrowings</i>				
Finance lease liabilities	2.17	12,235	12,235	-
<b>Total financial liabilities</b>	<b>-</b>	<b>14,964</b>	<b>12,235</b>	<b>2,729</b>

Notes

<sup>(a)</sup> The carrying amounts disclosed here exclude statutory amounts.

## 7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

### Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

During 2022/23, IBAC was awarded legal costs related to two proceedings. One court order relating to part of one proceeding in the amount of \$15,933 was received after the reporting period. It is not possible to reliably measure the remainder of the legal costs owed to IBAC (2022: \$0).

### Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity
- present obligations that arise from past events, but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations
  - the amount of the obligations cannot be measured with sufficient reliability.

### Quantifiable contingent liabilities

	2023 (\$'000)	2022 (\$'000)
Make good, leased premises <sup>(a)</sup>	685	636
Legal proceeding	-	27
<b>Total contingent liabilities</b>	<b>685</b>	<b>663</b>

#### Notes

<sup>(a)</sup> The make good leased premises contingent liability relates to IBAC's current office accommodation. Under the terms, if IBAC vacates the current premises, IBAC may be required to make good for the non-structural office modifications. The liability is contingent on lease extension options and subject to negotiation with the landlord on the extent of the make good requirement.

### Unquantifiable contingent liabilities

A party successful in a legal action may be compensated for their legal costs through a court order against the opposing party. The outcome of legal proceedings may result in potential payments to, or potential cost recoveries from opposing litigants.

For the reporting period 2022/23, IBAC was involved in two legal proceedings that are ongoing and which may, depending upon outcomes, result in IBAC having to pay another party's legal costs. Due to the uncertainty over the outcome and the legal costs of the opposing party, IBAC is unable to reliably estimate any potential liabilities.

## 7.3 Fair value determination

### How this section is structured

For those assets and liabilities for which fair values are determined, the disclosures that are provided are:

- the carrying amount and the fair value (which would be the same for those assets measured at fair value)
- in respect of those assets and liabilities subject to fair value determination using level 3 (refer to Fair value hierarchy) inputs:
  - a reconciliation of the movements in fair values from the beginning of the year to the end
  - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

# Notes to the financial statements

## Significant judgement: fair value measurement of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of IBAC.

This section sets out information on how IBAC determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The assets and liabilities carried at fair value are:

- financial assets and liabilities at fair value through profit and loss
- property, plant and equipment.

In addition, the fair values of other assets and liabilities that are carried at amortised cost also need to be determined for disclosure purposes.

IBAC determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

## Fair value hierarchy

In determining fair values, a number of inputs are used.

The levels are as follows:

- level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities
- level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

IBAC only uses level 3 unobservable inputs for all assets, with the exception of right-of-use assets. Significant unobservable inputs have remained unchanged since June 2017.

## 7.3.1 Fair value determination: financial assets and liabilities

The carrying amounts of financial assets and financial liabilities recognised in the balance sheet, which consist of cash and cash equivalents (see Note 6.2), receivables (see Note 5.1), payables (see Note 5.2) and borrowings (see Note 6.1), are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full.

## 7.3.2 Fair value determination: non-financial physical assets

The fair value of non-financial physical assets (plant, equipment and vehicles) are normally determined by reference to the asset's current replacement cost. Existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost, because of the short lives of the assets concerned.

IBAC applies only level 3 valuation techniques, using significant unobservable inputs, such as useful life, depreciation method and cost per unit, to determine the fair values of its non-financial physical assets. There have been no transfers between levels and no changes in significant unobservable inputs during the period.

The fair value of right-of-use assets is linked to the lease payments. The Department of Treasury and Finance assesses the current lease payments under the lease contract to approximate current market rentals, in comparison to equivalent properties that would be paid in the current market. The fair value of the leased assets is determined with reference to the amounts that will have to be paid to replace the current service capacity of the asset.

## 8. Other disclosures

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

### 8.1 Ex gratia expenses

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (for example, a write-off) that are not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or settle or resolve a possible legal liability of or claim against the entity.

There were no ex gratia expenses for the reporting period.

### 8.2 Other economic flows included in net result

Other economic flows are changes in volume or value of assets or liabilities that do not result from transactions. Other gains or losses from other economic flows include gains or losses from:

- the revaluation of the present value of LSL liability due to changes in discount rates (bond interest rates)
- disposal of property, plant and equipment.

#### Other gains/(losses) from other economic flows

	2023 (\$'000)	2022 (\$'000)
Net gain/(loss) arising from revaluation of annual leave and long service liability	(308)	232
Net gain/(loss) from disposal of property, plant and equipment	133	140
<b>Total other gains/(losses) from other economic flows</b>	<b>(176)</b>	<b>371</b>

### 8.3 Remuneration of executives and other personnel

The number of executive officers, other than ministers and the accountable officer, and their total remuneration during the reporting period, are shown in table below. Total annualised employee equivalents provide a measure of full-time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Remuneration is determined on an accruals basis, and is disclosed in the following categories:

- Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits, such as allowances and free or subsidised goods or services.
- Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.
- Other long-term benefits** include LSL, other long-service benefit or deferred compensation.
- Termination benefits** include termination of employment payments, such as severance packages.

	2023 (\$'000)	2022 (\$'000)
Short-term employee benefits	3,605	3,012
Post-employment benefits	366	293
Other long-term benefits	85	67
Termination benefits	-	-
<b>Total remuneration</b>	<b>4,056</b>	<b>3,372</b>
<b>Total number of executives</b>	<b>17</b>	<b>14.5</b>
<b>Total annualised employee equivalents (AEE)<sup>(a)</sup></b>	<b>15.8</b>	<b>14.2</b>

Notes

<sup>(a)</sup> AEE is based on paid working hours of 38 ordinary hours per week over 52 weeks for a reporting period.

# Notes to the financial statements

## 8.4 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the FM Act, the following disclosures are made regarding responsible persons for the reporting period.

### Names

The persons who held the positions of Minister, responsible person and accountable officer in IBAC are as follows:

Attorney-General	The Honourable Jaclyn Symes, MP	1 July 2022	to	30 June 2023
Acting Attorney-General	The Honourable Anthony Carbines, MP	23 September 2022	to	2 October 2022
	The Honourable Anthony Carbines, MP	28 December 2022	to	14 January 2023
	The Honourable Anthony Carbines, MP	29 April 2023	to	30 April 2023
	The Honourable Anthony Carbines, MP	30 June 2023	to	30 June 2023
Commissioner	The Honourable Robert Redlich AM, KC	1 July 2022	to	16 December 2022
Acting Commissioner	Stephen Farrow	17 December 2022	to	30 June 2023
Chief Executive Officer	Marlo Baragwanath	1 July 2022	to	30 June 2023
Acting Chief Executive Officer	Glenn Ockerby	18 July 2022	to	22 July 2022
	Glenn Ockerby	17 August 2022	to	31 August 2022
	Glenn Ockerby	3 January 2023	to	6 January 2023
	Linda Timothy	2 February 2023	to	26 February 2023
	Linda Timothy	18 May 2023	to	26 May 2023
	Linda Timothy	31 May 2023	to	3 June 2023

### Remuneration of responsible persons

Income band	2023	2022
\$130,000–\$139,999	1	-
\$190,000–\$199,999	-	1
\$260,000–\$269,999	1	-
\$430,000–\$439,999	-	1
\$460,000–\$469,999	1	-
<b>Total number of responsible persons<sup>(a)</sup></b>	<b>3</b>	<b>2</b>

#### Notes

<sup>(a)</sup> The total number of responsible persons include IBAC commissioner whose five year term ended on 16 December 2022 and Acting Commissioner. The number and amount received or receivable by the responsible person and accountable officer is based on *FRD 21 Disclosures of responsible persons and executive officers* (FRD21) in the financial report. The total number of responsible persons includes persons who meet the definition of key management personnel of the entity under AASB 124 *Related Party Disclosures* (AASB 124) and are also reported within the related parties note disclosure (Note 8.6). The remuneration of the acting responsible officer is included in this note however, not of the acting accountable officers.

## 8.5 Remuneration of auditors

	2023 (\$'000)	2022 (\$'000)
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements <sup>(a)</sup>	45	38
<b>Total remuneration of auditors</b>	<b>45</b>	<b>38</b>

Notes

<sup>(a)</sup> The 2022 auditors remuneration has been reinstated.

## 8.6 Related parties

IBAC is a wholly owned and controlled entity of the State of Victoria. Related parties of IBAC include all:

- key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- Cabinet ministers and their close family members
- departments and public sector entities that are controlled and consolidated into the whole-of-state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Key management personnel of IBAC includes the Attorney-General, the Commissioner and the CEO. The compensation detailed in the following table excludes the salaries and benefits the Attorney-General receives. The Attorney-General's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* (Vic) and information is reported within the 2022/23 Financial Report for the State of Victoria.

### Compensation of key management personnel

	2023 (\$'000)	2022 (\$'000)
Short-term employee benefits	814	593
Post-employment benefits	39	24
Other long-term benefits	15	10
Termination benefits	-	-
<b>Total remuneration</b>	<b>867</b>	<b>627</b>

## Transactions with key management personnel and other related parties

Given the breadth and depth of state government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public (for example, by paying stamp duty and other government fees and charges).

Further employment processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* (Vic) and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen-type transactions with IBAC, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

## 8.7 Non-financial physical assets held for sale

	2023 (\$'000)	2022 (\$'000)
Motor vehicles under finance leases held for sale	60	17
<b>Total non-financial physical assets held for sale</b>	<b>60</b>	<b>17</b>

Non-financial physical assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction, rather than through continuing use.

This condition is regarded as met only when:

- the asset is available for immediate use in current condition
- the sale is highly probable, and the asset's sale is expected to be completed in 12 months from the date of classification.

These non-financial physical assets, related liabilities and financial assets are measured at the lower of carrying amount and fair value less costs of disposal and are not subject to depreciation or amortisation.

# Notes to the financial statements

## 8.8 Subsequent events

In July 2023, IBAC signed a conditional five-year accommodation lease commencing in November 2023. Once the lease condition is satisfied and the lease commences, it will be recognised as right-of-use asset and equivalent lease liability. The nominal value of the lease is \$2.8 million.

## 8.9 Australian accounting standards issued that are not yet effective

IBAC has assessed the impact of all of the standards that became effective for reporting periods after 30 June 2023. IBAC has not included any standards, as we believe the financial statements will not be significantly impacted.

Standard/ interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 2022-10 <i>Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i>	<p>AASB 2022-10 amends AASB 13 <i>Fair Value Measurement</i> by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.</p> <p>The Standard:</p> <ul style="list-style-type: none"><li>specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i> or if it is highly probable that it will be used for an alternative purpose;</li><li>clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services;</li><li>specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and</li><li>provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and identification of economic obsolescence.</li></ul>	1 January 2024	This standard is not expected to have a significant impact on the public sector.

Standard/ interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 2020-1  Amendments to Australian Accounting Standards - <i>Classification of Liabilities as Current or Non- Current</i>	<p>AASB 2020-1 amended AASB 101 <i>Presentation of Financial Statements</i> to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current and was applicable to annual reporting periods beginning on or after 1 January 2022.</p> <p>AASB 2020-6 subsequently amended AASB 2020-1, deferring the mandatory effective date of AASB 2020-1 from 1 January 2022 to 1 January 2023.</p>	1 January 2023	This standard is not expected to have a significant impact on the public sector.
AASB 2022-6  Amendments to Australian Accounting Standards - <i>Non-current Liabilities with Covenants</i>	<p>AASB 2022-6 was applicable for annual reporting periods beginning on or after 1 January 2022.</p> <p>AASB 2022-6 amends and clarifies the requirements contained in AASB 2020-1.</p> <p>Among other things, it:</p> <ul style="list-style-type: none"> <li>• clarifies that only those covenants that an entity must comply with at or before the reporting date affect a liability's classification as current or noncurrent; and</li> <li>• requires additional disclosures for non-current liabilities that are subject to an entity complying with covenants within twelve months after the reporting date.</li> </ul> <p>AASB 2022-6 applies to annual reporting periods beginning on or after 1 January 2023.</p>		

# Notes to the financial statements

## 9. Glossary of technical terms

### Borrowings

Borrowings refer to interest-bearing liabilities raised from lease liabilities.

### Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

### Comprehensive result

The comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

### Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a ‘transaction’ and so reduces the ‘net result from transaction’.

### Effective interest method

The effective interest method is used to calculate the amortised cost of a financial asset or liability and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, where appropriate, a shorter period.

### Employee benefits expenses

Employee benefits expenses include all costs related to employment, including wages and salaries, fringe benefits and payroll tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

### Financial asset

A financial asset is any asset that is:

- cash; or
- a contractual or statutory right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

### Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial liability

A financial liability is any liability that is:

- a contractual obligation:
  - to deliver cash or another financial asset to another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- a contract that will or may be settled in the entity’s own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity’s own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity’s own equity instruments. For this purpose, the entity’s own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity’s own equity instruments.

### Financial report

A complete set of financial reports comprises:

- a balance sheet as at the end of the period
- a comprehensive operating statement for the period
- a statement of changes in equity for the period
- a cash flow statement for the period
- notes, comprising a summary of significant accounting policies and other explanatory information
- comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements* (AASB 101)
- a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial report, or when it reclassifies items in its financial report in accordance with paragraph 41 of AASB 101.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general-purpose grants, which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific-purpose grants, which are paid for a particular purpose or have conditions attached regarding their use.

### **Interest expense**

Interest expense refers to costs incurred in connection with the borrowings. It includes the interest component of finance lease repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

### **Leases**

Leases are rights conveyed in a contract, or part of a contract, with the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

### **Net result**

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as ‘other economic flows – other comprehensive income’.

### **Net worth**

Net worth is assets less liabilities, which is an economic measure of net assets.

### **Non-financial assets**

Non-financial assets are all assets that are not ‘financial assets’. They include prepayments, rental security deposits, leasehold improvement, motor vehicles, computer and communication equipment, plant and equipment, and intangible assets.

### **Other economic flows included in net result**

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. They include:

- gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets
- fair value changes of financial instruments.

### **Payables**

Payables include short- and long-term trade debt and accounts payable, grants, taxes and interest payable.

### **Receivables**

Receivables include amounts owing from government through appropriation receivable, short- and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

### **Supplies and services**

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of IBAC.

### **Transactions**

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows in an entity such as depreciation, where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers.

Transactions can be in kind (for example, assets provided or given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

## **10. Style conventions**

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

- zero, or rounded to zero
- (xxx.xx) negative numbers
- 20xx year period
- 20xx/xx year period

# Appendix A

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## Workforce data

## Occupational health and safety risk management

During 2022/23, we focused on encouraging employees to report incidents. Our performance against OHS risk management measures is shown in Table 22.

**Table 22: IBAC's performance against OHS risk management measures**

		2022/23	2021/22
Incidents	No. of incidents	64	27
	Rate per 100 full-time equivalent (FTE)	25.5%	11.7%
	No. of incidents requiring first aid and/or further medical treatment	1	1
Claims	Standard claims <sup>(a)</sup>	2	2
	Rate per 100 FTE	0.7%	0.8%
	No. of lost time claims <sup>(a)</sup>	1	-
	Rate per 100 FTE	0.4%	-
	No. of claims exceeding 13 weeks <sup>(a)</sup>	1	-
	Rate per 100 FTE	0.4%	-
Fatalities	Fatality claims	-	-
Claim costs	Average cost per standard claim <sup>(a)</sup>	\$60,015.50	\$360.00
Return to work	Percentage of claims with return to work plan < 30 days	50.0%	-
Management commitment	Evidence of OHS policy statement, OHS objectives and regular reporting to senior management on OHS	Completed	Completed
	Evidence of OHS criteria in purchasing guidelines (including goods, services and personnel)	Completed	Completed
Consultation and participation	Evidence of agreed structure of designated workgroups, HSRs and issue-resolution procedures	Completed	Completed
	Compliance with agreed structure on designated workgroups, HSRs and issue-resolution procedures	Completed	Completed
	No. of quarterly OHS committee meetings	4	4
Risk management	Percentage of internal audits/inspections conducted as planned	40.0%	50.0%
	No. of improvement notices issued by WorkSafe inspectors	-	-
	Percentage of issues identified and actioned arising from:		
	<ul style="list-style-type: none"> <li>• internal audits</li> <li>• HSR provisional improvement notices</li> <li>• WorkSafe Victoria notices</li> </ul>	100.0%	100.0%
Training	Percentage of managers and staff who have received OHS training:		
	<ul style="list-style-type: none"> <li>• staff induction training</li> <li>• managers training</li> <li>• contractors and temporary staff</li> </ul>	68.5%	83.0%
	Percentage of HSRs:		
	<ul style="list-style-type: none"> <li>• trained on acceptance of role (initial training)</li> <li>• retrained (annual refresher)</li> </ul>	-	-
		100.0%	-
		-	-

### Notes

<sup>(a)</sup> Data sourced from IBAC's WorkSafe Victoria agent. Data for standard claims, claims for time lost, and fatality claims is at 30 June for the year shown. Standard claims are those that have exceeded the employer excess (for medical and like expenses) threshold and/or liability of 10 working days of time lost. The average cost per claim is reported based on actual costs and excludes estimated future costs that contribute to IBAC's premium.

## Appendix A: Workforce data

### Comparative workforce data

Table 23 details the headcount and FTE of all active public service employees of IBAC, employed in the last full pay period in June 2023 for the current reporting period (2022/23), and in the last full pay period in June 2022 for the previous reporting period (2021/22).

Table 23: Details of employment levels in June 2022 and 2023<sup>(a)</sup>

	June 2023							
	All employees			Ongoing		Fixed-term/casual		
	Number/ headcount	FTE	Full-time headcount	Part-time headcount	FTE	Headcount	FTE	
<b>Gender</b>								
Male	117	116.2	109	2	110.4	6	5.8	
Female	139	132.7	106	22	122.4	11	10.3	
Self-described	2	2	2	-	2	-	-	
<b>Age</b>								
15–24	3	3	3	-	3	-	-	
25–34	81	78.2	69	8	74.4	4	3.8	
35–44	86	83.4	71	8	76.8	7	6.6	
45–54	59	57.7	47	7	53	5	4.7	
55–64	27	26.7	25	1	25.7	1	1	
65+	2	2	2	-	2	-	-	
<b>Classification</b>								
VPS 2	-	-	-	-	-	-	-	
VPS 3	45	43.4	37	6	41.4	2	2	
VPS 4	61	60.2	55	3	57	3	3	
VPS 5	94	90.7	74	10	81.6	10	9.1	
VPS 6	56	54.7	48	5	52.7	2	2	
STS	2	2	2	-	2	-	-	
<b>Total</b>	<b>258</b>	<b>250.9</b>	<b>217</b>	<b>24</b>	<b>234.8</b>	<b>17</b>	<b>16.1</b>	

#### Notes

<sup>(a)</sup> Senior non-executive staff are listed in this table as well as in Table 24. Executive officers and statutory appointments are not included in this table.

**June 2022**

Number/ headcount	All employees		Part-time headcount	Ongoing		Fixed-term/casual	
	FTE	Full-time headcount		FTE	Headcount	FTE	
105	103.3	81	3	82.6	21	34.9	
125	118.8	73	16	83.9	36	20.7	
1	1	-	-	-	1	1	
5	5	2	-	2	3	3	
63	61.4	39	3	40.7	21	20.7	
85	79.9	54	11	60.9	20	19	
49	48.3	38	3	40.4	8	7.9	
27	26.5	20	2	21.5	5	5	
2	2	1	-	1	1	1	
1	1	-	-	-	1	1	
37	34.9	19	7	23.9	11	11	
60	58.3	43	1	42.9	16	15.4	
77	73.7	52	9	58.3	16	15.4	
54	53.2	38	2	39.4	14	13.8	
2	2	2	-	2	-	-	
<b>231</b>	<b>223.1</b>	<b>154</b>	<b>19</b>	<b>166.5</b>	<b>58</b>	<b>56.6</b>	

## Appendix A: Workforce data

Table 24 details the annualised total salary for senior employees of IBAC, categorised by classification. The salary amount is reported as the full-time annualised salary.

Table 24: Annualised total salary for executives and other senior non-executive staff

Income band (salary)	Executives	Senior technical specialists	Principal scientists	Senior medical advisors	Senior regulatory analysts	Other (statutory appointments)
< \$160,000						
\$160,000–\$179,000						
\$180,000–\$199,000						
\$200,000–\$219,000	8	2				
\$220,000–\$239,000		5				
\$240,000–\$259,000						
\$260,000–\$279,000						
\$280,000–\$299,000	1					
\$300,000–\$319,000	1					
\$320,000– \$339,000						1
\$340,000–\$359,000	1					
\$360,000–\$379,000	1					1
\$380,000–\$399,000						
\$400,000–\$419,000						
\$420,000– \$439,000						
\$440,000– \$459,000						
\$460,000– \$479,000	1					
\$480,000–\$499,000						1
<b>Total</b>	<b>18</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>

## Executive officer data

Because IBAC is a public body, an executive officer (EO) is defined as an executive under Part 3 of the Public Administration Act 2004 or as a person to whom the Victorian Government's Public Entity Executive Remuneration Policy applies. The definition of an EO does not include a statutory office holder.

All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

**Table 25: Total number of IBAC EOs, by gender**

	All		Women		Men		Self-described	
Class	No.	Var.	No.	Var.	No.	Var.	No.	Var.
EO-1 (SES-3)	1	0	1	0	0	0	0	0
EO-2 (SES-2)	4	0	2	0	2	0	0	0
EO-3 (SES-1)	13	+3	5	1	8	2	0	0
<b>Total</b>	<b>18</b>	<b>+3</b>	<b>8</b>	<b>1</b>	<b>10</b>	<b>2</b>	<b>0</b>	<b>0</b>

### Notes

Statutory appointments have been excluded from this table.

The number of EOs in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Section 8.3: Remuneration of executives and other personnel in the financial statements lists the actual number of EOs and the total remuneration paid to EOs over the course of the reporting period.

The financial statements note does not distinguish between executive levels or disclose separations. Separations are executives who have left IBAC during the reporting period. To assist readers, these two disclosures are reconciled in Table 26.

**Table 26: Reconciliation of executive numbers**

		2022/23
	EOs (financial statement note 8.4)	17
	Accountable officer	1
Less	Separtions	2
Add	Recruitment	2
<b>Total executive numbers at 30 June 2023</b>		<b>18</b>

# Appendix B

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## Disclosure index

Table 27: Standing Directions and Financial Reporting Directions

Legislation	Requirement	Page #
<b>Report of operations</b>		
	Charter and purpose	
FRD 22	Manner of establishment and the relevant ministers	6, 51
FRD 22	Purpose, functions, powers and duties	2-6
FRD 8	Objectives, indicators and outputs	3, 30, 32, 44
FRD 22	Key initiatives and projects	16, 27, 28, 40, 49, 50
FRD 22	Nature and range of services provided	2, 4, 12, 13, 15, 18, 23-27, 29-35, 37-39, 41-47
Management and structure		
FRD 22	Organisational structure	51-53
Financial and other information		
FRD 8	Performance against output performance measures	17-19, 29, 33, 42, 45
FRD 8	Budget portfolio outcomes	NA
FRD 10	Disclosure index	107, 108
FRD 12	Disclosure of major contracts	111
FRD 15	Executive officer disclosures	93, 94, 104, 105
FRD 22	Employment and conduct principles	55
FRD 22	OHS policy	54
FRD 22	Summary of the financial results for the year	19, 20
FRD 22	Significant changes in financial position during the year	19, 20
FRD 22	Major changes or factors affecting performance	19
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FRD 22	Application and operation of the <i>Freedom of Information Act 1982 (Vic)</i> (FOI Act)	111, 112
FRD 22	Compliance with building and maintenance provisions of the <i>Building Act 1993 (Vic)</i>	112
FRD 22	Statement on National Competition Policy	112
FRD 22	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	6, 112, 113,
FRD 22	Application and operation of the <i>Carers Recognition Act 2012 (Vic)</i>	113
FRD 22	Details of consultancies over \$10,000	110

## Appendix B: Disclosure index

Table 27: Standing Directions and Financial Reporting Directions (cont'd)

Legislation	Requirement	Page #
FRD 22	Details of consultancies under \$10,000	111
FRD 22	Disclosure of government advertising expenditure	110
FRD 22	Disclosure of ICT expenditure	111
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FRD 24	Reporting of office-based environmental impacts	123
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SD 5.2	Specific requirements under Standing Direction 5.2	1, 57
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SD 5.2.3	Declaration in report of operations	1
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Declaration		
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Other requirements under Standing Directions 5.2		
SD 5.2.1 <sup>(a)</sup>	Compliance with Australian Accounting Standards and other authoritative pronouncements	57-59, 65
SD 5.2.1 <sup>(a)</sup>	Compliance with Standing Directions	57
SD 5.2.1 <sup>(b)</sup>	Compliance with Model Financial Report	NA
Other disclosures as required by FRDs in notes to the financial statements <sup>(a)</sup>		
FRD 9	Departmental disclosure of administered assets and liabilities by activity	NA
FRD 11	Disclosure of ex gratia expenses	93
FRD 13	Disclosure of parliamentary appropriations	66, 67
FRD 21	Disclosures of responsible persons, EOs and other personnel (contractors with significant management responsibilities) in the Financial Report	94
FRD 103	Non-financial physical assets	62, 74, 75, 91, 92, 95
FRD 110	Cash flow statements	19, 57, 58, 63, 85
FRD 112	Defined benefit superannuation obligations	67, 70
FRD 114	Financial instruments – general government entities and public non-financial corporations	87, 88
Notes		
(a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.		

# Appendix C

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## Other disclosures

## Appendix C: Other disclosures

### Direction 5.1.4 Financial compliance attestation form 2022/23

#### Attestation for financial management compliance with Standing Direction 5.1.4

I, Stephen Farrow, on behalf of Independent Broad-based Anti-corruption Commission (IBAC), certify that the IBAC has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.



**Stephen Farrow**  
Acting Commissioner  
Independent Broad-based Anti-corruption Commission  
19 September 2023

Table 28: Consultancies over \$10,000

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee for 2022/23 (excl. GST)	Expenditure in 2022/23 (excl. GST)	Future expenditure (excl. GST)
Terra Firma Pty Ltd	IBAC's capability maturity assessment, gap analysis and development of a roadmap.	Aug-22	Aug-22	\$20,168	\$20,168	-
JWS Research	Research design, analysis, data collection data analysis and reporting for IBAC's 2023 perceptions of corruption surveys with councillors and members of Parliament.	Mar-23	Jun-23	\$65,250	\$65,250	-
Little Rocket	Development of a plan and strategy to engage with Aboriginal peoples.	Feb-23	Jun-23	\$28,915	\$28,915	-
Deloitte Consulting Pty Ltd	Development of a technical capability framework for investigations unit including training needs analysis, service providers and program delivery.	Jun-23	Jun-23	\$227,855	\$227,855	-
Ernst & Young	Development of an organisational integrity maturity rating system that objectively and consistently measures the integrity of Victorian public sector agencies.	May-23	Jul-23	\$179,935	\$152,946	\$26,989
Cube Group Management Consulting (Australia) Pty Ltd	Review, refine, benchmark, test and provide recommendations on development of a reporting framework.	Jun-23	Jun-23	\$45,454	\$45,545	-
FBG Group Pty Ltd	Psychosocial risk assessment and development of a tailored wellbeing policy for the Assessment of Review team.	Sep-22	Jun-23	\$57,590	\$56,500	-

### Local Jobs First

IBAC did not commence or complete any projects in 2022/23 in which a Victorian Industry Participation Policy Plan, Local Industry Development Plan or Major Project Skills Guarantee were required.

### Expenditures

#### Government advertising expenditure

IBAC ran advertising campaigns with a total media spend of \$449,153 (excluding GST) during 2022/23.

#### Consultancy expenditure

#### Consultancies (over \$10,000)

IBAC contracted seven consultancies at a total expenditure of \$597,088 (excluding GST). Details of individual consultancies are provided in Table 28.

## **Consultancies (under \$10,000)**

IBAC did not engage consultants where the total fees payable to the individual consultancy was less than \$10,000.

### **ICT expenditure**

**Table 29: ICT expenditure**

	\$m
<b>Business-as-usual (BAU) ICT expenditure</b>	<b>7.9</b>
<b>Total non-BAU ICT expenditure</b>	<b>3.2</b>
Operational non-BAU expenditure	1.4
Capital non-BAU expenditure	1.8

In 2022/23, IBAC's total ICT expenditure was \$11.2 million, an increase of \$1.4 million or 14.1 per cent compared to 2021/22.

## **Disclosure of major contracts**

IBAC did not award any major contracts greater than \$10 million during 2022/23.

## **Disclosure of emergency procurement**

In 2022/23, IBAC activated emergency procurement on zero occasions in accordance with the requirements of government policy and accompanying guidelines. No new contracts were awarded in connection with an emergency.

## **Freedom of information (FOI)**

The FOI Act creates a right of the public to access certain documents held by public sector agencies, including IBAC.

Section 194 of the IBAC Act exempts certain classes of documents held by IBAC from access through the FOI Act. Specifically, the FOI Act does not apply to a document held by IBAC to the extent to which the document discloses information that relates to any of the following:

- a recommendation made by IBAC under the IBAC Act
- an investigation conducted under the IBAC Act
- a report, including a draft report, on an investigation conducted under the IBAC Act
- a complaint made to IBAC
- information received by IBAC under section 56 of the IBAC Act
- a notification made to IBAC under a mandatory notification provision
- a preliminary inquiry.

In 2022/23, IBAC received 15 requests for access to documents under the FOI Act. Twelve requests were from members of the public and three requests were from the media. Due to the operation of section 194 of the IBAC Act, the FOI Act did not apply to seven of the FOI requests. Of the two substantive FOI decisions made by IBAC in 2022/23, both were finalised within the statutory timeframe. One of these decisions related to an application made in 2021/22 and therefore is not included in the table.

**Table 30: FOI applications<sup>(a)</sup>**

Type of FOI outcome	2022/23
Total number of applications	15
• Applications excluded by section 194	7
• Applications granted in part	1
• Applications granted in full	0
• Applications resulting in disclosures outside the FOI Act	1
• Applications deemed invalid	2
• Applications withdrawn	1
• Applications awaiting determination	3
• Applications reviewed	0
• Applications appealed	0
Complaints to OVIC	1

### Notes

<sup>(a)</sup> This table meets the financial reporting directive from the Department of Treasury and Finance. Historical data on FOI applications is available in previous annual reports and can be viewed on the IBAC website ([www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)).

# Appendix C: Other disclosures

## Publicly available information

IBAC publishes its FOI Part II statement on its website to outline how IBAC makes information readily available to the public, reducing the need for members of the public to submit requests under the FOI Act.

IBAC's FOI Part II statement contains the following information:

- Statement 1 – Organisation and functions
- Statement 2 – Categories of documents created by IBAC
- Statement 3 – Freedom of information arrangements
- Statement 4 – Publications
- Statement 5 – Rules, policies and procedures
- Statement 6 – Report literature

Our Part II statements can be found on the IBAC website ([www.ibac.vic.gov.au/freedom-information-requests](http://www.ibac.vic.gov.au/freedom-information-requests)).

## Making an FOI request

Access may be requested in writing to IBAC's FOI Officer.

Such requests should:

- be in writing
- identify as clearly as possible which documents are requested
- be accompanied by the appropriate application fee (which can be waived in certain circumstances).

To submit an FOI request, first download and complete the form available from the IBAC website ([www.ibac.vic.gov.au/freedom-information-requests](http://www.ibac.vic.gov.au/freedom-information-requests)).

Send your completed form to IBAC, by email to [FOI@ibac.vic.gov.au](mailto:FOI@ibac.vic.gov.au) or by post to:

Independent Broad-based Anti-corruption Commission  
Freedom of Information Officer  
GPO Box 24234  
Melbourne VIC 3001

Pay the application fee of \$31.80 by bank transfer, bank cheque or money order. If paying by bank transfer, please contact IBAC for account details. If paying by bank cheque or money order, please deliver to the postal address above.

If payment of the application fee would cause you hardship, you may request a fee waiver.

Charges may also apply after documents have been processed and a decision has been made about an access request (for example, photocopying, search and retrieval charges).

If an applicant is not satisfied by an FOI decision made by IBAC, they have a right under section 49A of the FOI Act to seek a review by OVIC within 28 days after the day on which they are given written notice of the decision.

Further information regarding FOI can be found on the OVIC website ([www.ovic.vic.gov.au](http://www.ovic.vic.gov.au)).

## Compliance reporting

### Building Act

IBAC does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the Building Act.

### Competitive neutrality policy

IBAC is compliant with the National Competition Policy, including the requirements of the Department of Treasury and Finance's Competitive Neutrality Policy.

### PID Act

The PID Act provides a framework to protect people who make disclosures of improper conduct and detrimental action by public officers and public bodies. The PID Act also establishes a system for the matters disclosed to be investigated and regulates how certain information can be used.

IBAC is responsible for assessing most PIDs to determine whether they meet the requirements for a public interest disclosure or a public interest complaint under the PID Act. IBAC also stewards the Public Interest Disclosure scheme in the State of Victoria and publishes guidelines and procedures relating to the scheme. Among other things, IBAC is responsible for:

- educating the broader public sector on the operation of the scheme
- promoting the purposes of the PID Act
- reviewing the Public Interest Disclosure procedures established by public sector bodies.

Information about reporting disclosures of improper conduct or detrimental action to IBAC, including the guidelines issued and procedures established by IBAC in relation to the public interest disclosure scheme, can be found on the IBAC website ([www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)).

Disclosures of improper conduct or detrimental action by IBAC or any of our employees may be made to:

Victorian Inspectorate  
PO Box 617, Collins Street West, Melbourne VIC 8007  
Phone (03) 8614 3225  
[info@vicinspectorate.vic.gov.au](mailto:info@vicinspectorate.vic.gov.au)  
[www.vicinspectorate.vic.gov.au](http://www.vicinspectorate.vic.gov.au)

Information about assessable disclosures made to the Victorian Inspectorate can be found on its website and in the Victorian Inspectorate annual report.

Table 31 sets out the data that IBAC is required to report under section 67 of the PID Act.

**Table 31: IBAC's reporting requirements under the PID Act**

Reporting requirement	Data for 2022/23
Number and types of assessable disclosures made directly to IBAC	56 made under Pt 2, Div 2
Number and types of disclosures notified to IBAC under sections 21 and 22	Section 21: 254 disclosures (Victoria Police: 37; public sector: 217)  Section 22: 145 disclosures
Number and types of allegation assessments made by IBAC under section 26 to determine whether a disclosure is a public interest complaint	Public interest complaints: 743 (Victoria Police: 376; public sector: 367)  Non-public interest complaints: 5,774 (Victoria Police: 3,337; public sector: 2,437)
Number and type of public interest complaints that, under the IBAC Act, have been: <ul style="list-style-type: none"><li>• investigated by IBAC</li><li>• referred by IBAC to another investigating entity</li><li>• dismissed by IBAC</li></ul>	29 investigated (Victoria Police: 9; public sector: 20) 1 preliminary inquiry (Victoria Police: 0; public sector: 1) 667 referrals (Victoria Police: 350; public sector: 317) 45 dismissals (Victoria Police: 17; public sector: 28)
Any recommendations made by IBAC under section 61 during the financial year	0
For each of those recommendations, the action taken by the entity in relation to the recommendation	0
Number of applications for an injunction made by IBAC under section 50 during the financial year	0

### **Carers Recognition Act**

IBAC operates a hybrid working model and continues to offer a range of work and flexible leave options to help our staff balance the demands of work with personal and carer commitments.

### ***Disability Act 2006 (Vic)***

IBAC has made progress in implementing the IBAC 2021–23 Disability Action Plan, with all roles now advertised on the JobAccess website to attract more people with disability to work at IBAC.

### **IBAC Act, section 165**

Section 165(1)(b) of the IBAC Act requires IBAC to include in this report any recommendations for changes to any Act or law in force in Victoria, or for specified administrative actions to be taken which IBAC considers necessary as a result of the performance of its duties and functions.

In our investigations and special reports, we periodically make recommendations for specified administrative actions. Copies of our investigations and special reports can be found in the publications and resources section of the IBAC website.

During 2022/23, IBAC made 16 recommendations for changes to Acts or laws in force in Victoria. These recommendations are listed in Table 32.

## Appendix C: Other disclosures

Table 32: IBAC's reporting requirements under the IBAC Act, section 165

Report	Recommendation
Special Report – Operation Watts	<p><b>Recommendation 1</b></p> <p>IBAC and the Ombudsman recommend that:</p> <ol style="list-style-type: none"><li>1. the government and the Parliament work together to establish a Parliamentary Ethics Committee that:<ol style="list-style-type: none"><li>a. monitors the effectiveness of the Statement of Values and Code of Conduct in the <i>Members of Parliament (Standards) Act 1978</i> and other ethical obligations imposed on MPs</li><li>b. promotes and provides training and information about the Statement of Values and Code of Conduct, in the Parliament and in the general community</li><li>c. prepares guidance materials on the Statement of Values and Code of Conduct</li><li>d. works with the Parliamentary Integrity Commissioner in carrying out its functions and receiving reports about ethical standards</li><li>e. reviews the Statement of Values and Code of Conduct at least once every four years.</li></ol></li><li>2. the Parliamentary Ethics Committee should be a Joint House Committee composed of equal numbers of members from the Legislative Assembly and Legislative Council and be established by amendment to the <i>Parliamentary Committees Act 2003</i>. Consideration should be given to including some members from each of the parliamentary privileges committees.</li><li>3. the government and Parliament should consider for inclusion in the Parliamentary Ethics Committee's role and composition:<ol style="list-style-type: none"><li>a. a requirement to consult the public when undertaking reviews</li><li>b. a power to appoint members of the public to assist it with its work, or specify a fixed number of members of the public to be Committee members</li><li>c. appointment of a non-government member as the chair of the Committee</li><li>d. a power for the Committee to undertake related integrity roles as may be requested, such as in relation to codes of conduct for ministers, ministerial advisors and electorate officers, or a parliamentary bullying and harassment protocol.</li></ol></li></ol>

Table 32: IBAC's reporting requirements under the IBAC Act, section 165 (Cont'd)

Report	Recommendation
Special Report – Operation Watts	<p><b>Recommendation 2</b></p> <p>IBAC and the Ombudsman recommend that:</p> <ol style="list-style-type: none"> <li>1. the government and the Parliament work together to establish a Parliamentary Integrity Commissioner as an independent officer of the Parliament who would: <ol style="list-style-type: none"> <li>a. receive and investigate complaints about possible non-criminal breaches of the Members of Parliament Code of Conduct in the <i>Members of Parliament (Standards) Act 1978</i> and other standards and rules relevant to parliamentary integrity</li> <li>b. submit reports on investigations to the privileges committee of the relevant House for consideration and action where required, including recommendations on appropriate sanctions for a serious breach of the Members of Parliament Code of Conduct or other integrity rule or standard</li> <li>c. monitor the effectiveness of the Statement of Values and Code of Conduct in the <i>Members of Parliament (Standards) Act 1978</i> and other ethical obligations imposed on members of Parliament</li> <li>d. promote and provide training and information about the Statement of Values and Code of Conduct, in the Parliament and the general community, in collaboration with the Parliamentary Ethics Committee</li> <li>e. help the Parliamentary Ethics Committee prepare guidance materials on the Statement of Values and Code of Conduct and review the Statement of Values and Code of Conduct at least once every four years</li> <li>f. undertake other integrity-related functions allocated to them by the government or Parliament.</li> </ol> </li> <li>2. the Parliamentary Integrity Commissioner be established by legislation and be appointed by or upon the recommendation of a cross-party parliamentary panel with members from both Houses selected for that purpose</li> <li>3. the term of appointment be for more than four years and that there be narrowly defined criteria for dismissal upon a recommendation from the proposed Parliamentary Ethics Committee</li> <li>4. the processes and sanctions available to the Parliamentary Integrity Commissioner be fair, efficient and proportionate to the nature of the alleged breach</li> <li>5. the Parliamentary Integrity Commissioner have the powers and resources necessary to carry out their functions, including a power to apply sanctions by consent where a member of Parliament acknowledges a breach of a minor nature, such as requiring an apology or a binding undertaking.</li> </ol>
Special Report – Operation Watts	<p><b>Recommendation 5</b></p> <p>IBAC and the Ombudsman recommend that whichever party or parties form government after the November 2022 state election commit to introducing and commencing the legislation to establish the Parliamentary Ethics Committee and Parliamentary Integrity Commissioner as recommended in this report, by June 2024.</p>

## Appendix C: Other disclosures

Table 32: IBAC's reporting requirements under the IBAC Act, section 165 (Cont'd)

Report	Recommendation
Special Report – Operation Watts	<p><b>Recommendation 7</b></p> <p>IBAC and the Ombudsman recommend that the definition of prohibited party-specific activities in section 30 of the <i>Parliamentary Administration Act 2005</i> be amended to include activities undertaken for the predominant purpose of helping the administration, organisation or management of a political party, including the recruitment and maintenance of party members.</p>
Special Report – Operation Watts	<p><b>Recommendation 8</b></p> <p>IBAC and the Ombudsman recommend that:</p> <ol style="list-style-type: none"> <li>1. an offence be created that provides that a member of Parliament who directs or allows a person to undertake party-specific activities while that person is employed to help the member of Parliament discharge their public duties is guilty of an offence.</li> <li>2. the government in formulating the offence and the penalty should take account of:             <ol style="list-style-type: none"> <li>a. the degree of a member of Parliament's intent or recklessness in directing or allowing the employee to undertake such activities</li> <li>b. activities where it is difficult to separate the party-political aspect of the work from the normal duties of an electorate officer's role, such as attendance at a community-organised event with the member of Parliament</li> <li>c. unavoidable and reasonable communication with a party's head office or local branch on minor or incidental matters.</li> </ol> </li> </ol>
Special Report – Operation Watts	<p><b>Recommendation 15</b></p> <p>IBAC and the Ombudsman recommend that section 17 of the <i>Public Interest Disclosures Act 2012</i> be reviewed to establish an alternative course for a person who has reasonable grounds for not wishing to lodge a complaint with a presiding officer.</p>
Special Report – Operation Watts	<p><b>Recommendation 18</b></p> <p>IBAC and the Ombudsman recommend that:</p> <ol style="list-style-type: none"> <li>1. an offence be created that provides that a minister who directs or allows a person to undertake party-specific activities while that person is employed to assist the minister in discharging their public duties is guilty of an offence</li> <li>2. the government, in formulating the offence and the penalty, should take account of:             <ol style="list-style-type: none"> <li>a. the degree of a minister's intent or recklessness in directing or allowing the employee to undertake such activities</li> <li>b. activities where it is difficult to separate the party-political aspect of the work from the normal duties of a ministerial staff member's role, such as briefing other members of Parliament and party members on matters relevant to the minister's portfolio</li> <li>c. unavoidable and reasonable communication with a party's head office or other organisational unit on minor or incidental matters.</li> </ol> </li> </ol>

Table 32: IBAC's reporting requirements under the IBAC Act, section 165 (Cont'd)

Report	Recommendation
Special Report – Corruption Risks Associated with Donations and Lobbying	<p><b>Recommendation 1</b></p> <p>IBAC recommends that the government review the existing regulatory regime for political donations to improve transparency and accountability at both the state and local levels of government through legislative reforms that:</p> <ol style="list-style-type: none"> <li>1. promote consistent donation regulations at the local and state levels of government so that:             <ol style="list-style-type: none"> <li>a. the specified donation declaration threshold is only indexed once at the beginning of each state and local election cycle</li> <li>b. donors and candidates at the local government level are required to declare donations over \$500 to a central authority, namely the Victorian Electoral Commission</li> <li>c. the \$4000 general cap applies to donations made by a donor at the local government level</li> </ol> </li> <li>2. deter donors from attempting to split donations, and detect schemes designed to circumvent the general cap at the state and local level, using measures that include, but are not limited to, requiring that:             <ol style="list-style-type: none"> <li>a. the specified donation declaration threshold is only indexed once at the beginning of each state and local election cycle                     <ol style="list-style-type: none"> <li>i) the entity's Australian Business Number</li> <li>ii) the entity's registered address</li> <li>iii) the names and addresses of executive committee members</li> <li>iv) whether any donations have been made by other associated or related entities</li> </ol> </li> <li>b. individual donors declare if the funds or resources being donated have been provided to the donor by a third-party for the purpose of making a donation (with reference to the Queensland provisions)</li> </ol> </li> <li>3. ensure that campaign donations and expenditure are reported in a manner that provides sufficient information to monitor compliance with donation caps at the state and local level, including, but not limited to, requiring that:             <ol style="list-style-type: none"> <li>a. all candidates register details of their dedicated campaign bank accounts with the Victorian Electoral Commission, and/or submit relevant statements for those accounts to the Victorian Electoral Commission as part of their annual returns (with reference to the Queensland provisions)</li> <li>b. all candidates submit a statement of campaign expenditure after an election, to be accompanied by an audit certificate, consistent with the expenditure declaration requirements for parties</li> </ol> </li> <li>4. deter donors and candidates from attempting to use third-party campaigners to circumvent the declaration requirements and donation cap at the state and local level, using measures that include, but are not limited to:             <ol style="list-style-type: none"> <li>a. requiring the registration of third-party campaigners</li> <li>b. requiring publication of the register of third-party campaigners</li> <li>c. limiting the number of third-party campaigners to whom a person can donate to three, to mitigate the risk of the general donation cap being circumvented (with reference to the NSW approach)</li> </ol> </li> </ol>

## Appendix C: Other disclosures

Table 32: IBAC's reporting requirements under the IBAC Act, section 165 (Cont'd)

Report	Recommendation
Special Report – Corruption Risks Associated with Donations and Lobbying	<p>5. provide a disclosure scheme that more closely resembles 'real-time' reporting for state and local donors and candidates (with reference to the Queensland approach)</p> <p>6. ensure appropriate measures are in place to facilitate effective monitoring at the state and local level, including, but not limited to, requiring that:</p> <ul style="list-style-type: none"><li>a. local government candidates make a declaration within an appropriate period:<ul style="list-style-type: none"><li>i) after nomination in relation to donations received prior to nomination</li><li>ii) after an election if no donations are received by a candidate</li></ul></li><li>b. donors to local government candidates make a declaration that indicates:<ul style="list-style-type: none"><li>i) the industry they work in if the donor is an individual, or the type of business the corporation carries on if the donor is a company</li><li>ii) any interest they have in a local government matter that is greater than that of other persons in the local government area, as well as the nature of their interest (with reference to the Queensland approach)</li></ul></li></ul> <p>7. deter donors and candidates from attempting to use 'fundraising' events to circumvent the declaration requirements and donation cap at the state and local level, using measures that include, but are not limited to:</p> <ul style="list-style-type: none"><li>a. capping the amount that can be charged to enter a relevant event</li><li>b. expressly stating that the entry fee to attend a fundraising event constitutes a political donation (with reference to the NSW approach)</li><li>c. requiring that registered parties:<ul style="list-style-type: none"><li>i) publish information about the fundraising event in real time, including details of:<ul style="list-style-type: none"><li>(1) the candidates and/or party for whom funds are being raised</li><li>(2) ministers, members of Parliament or their staff who are promoted as attending the event</li><li>(3) funds raised as a result of the event</li></ul></li><li>ii) submit an audited return to the Victorian Electoral Commission for each event that includes details of:<ul style="list-style-type: none"><li>(1) expenses incurred in relation to the event</li><li>(2) items donated to raise funds through raffles and the like, their market value and who donated those items</li><li>(3) tickets purchased, including details of each individual who purchased a ticket and how many tickets were purchased</li><li>(4) funds raised as a result of the event</li></ul></li></ul></li><li>d. requiring that all payments and expenses relating to a fundraising event be transacted through a dedicated campaign account that has been registered with the Victorian Electoral Commission.</li></ul>

Table 32: IBAC's reporting requirements under the IBAC Act, section 165 (Cont'd)

Report	Recommendation
Special Report – Corruption Risks Associated with Donations and Lobbying	<p><b>Recommendation 3</b></p> <p>IBAC recommends that the government introduce legislation to regulate lobbying at both the state and local levels of government in a manner that:</p> <ol style="list-style-type: none"> <li>1. increases the transparency and accountability of lobbying activities in a way that includes, but is not limited to, the issues set out below</li> <li>2. defines the following in legislation:             <ol style="list-style-type: none"> <li>a. 'lobbying activity' in a way that captures any contact with government representatives (with reference to the Scottish approach) that is made in relation to:                     <ol style="list-style-type: none"> <li>i) government or parliamentary functions</li> <li>ii) decision-making at the local government level</li> </ol> </li> <li>b. 'lobbyist' in a way that focuses on the activity being undertaken, not persons in the business of lobbying</li> <li>c. 'government representative' in a way that encompasses all public officers who may be subject to lobbying activity, including members of Parliament, electorate officers, councillors and council officers</li> </ol> </li> <li>3. ensures members of Parliament who initiate meetings with a minister or their adviser:             <ol style="list-style-type: none"> <li>a. disclose to the responsible minister's office:                     <ol style="list-style-type: none"> <li>i) whether the member of Parliament has a private interest in the matter about which representations are being made (noting that a private interest in this context should be defined to include donations or other benefits provided by a person or entity who asked the member of Parliament to make representations to the minister)</li> <li>ii) the nature of that interest (if the member of Parliament has a private interest)</li> <li>iii) the names of any persons or entities who have made representations to the member of Parliament requesting that they lobby the minister or their adviser (regardless of whether the member of Parliament has a private interest in the matter)</li> </ol> </li> <li>b. maintain records of those disclosures in a form that is auditable, and can be made available to appropriate entities, including the lobbying regulator</li> </ol> </li> <li>4. requires that lobbyists document their contacts with government representatives, and that this information is published via an easily accessible and searchable register that includes, but is not limited to:             <ol style="list-style-type: none"> <li>a. the name and role of the government representative who has been lobbied</li> <li>b. the subject of the lobbying and its purpose</li> <li>c. the intended outcome of the lobbying communication</li> </ol> </li> <li>5. mandates the publication of extracts or summaries of ministerial diaries and ministerial staff diaries on a monthly basis, capturing any form of meeting or event (such as attendance at fundraisers), including, but not limited to details of:             <ol style="list-style-type: none"> <li>a. the date of the meeting or event</li> <li>b. who attended</li> <li>c. what interests they represented</li> <li>d. the issues that were discussed at the meeting or event</li> </ol> </li> </ol>

## Appendix C: Other disclosures

Table 32: IBAC's reporting requirements under the IBAC Act, section 165 (Cont'd)

Report	Recommendation
Special Report – Corruption Risks Associated with Donations and Lobbying	<p>6. ensures that interactions between a lobbyist and a minister or their staff are transparent, including, but not limited to measures that require:</p> <ul style="list-style-type: none"> <li>a. the creation and maintenance of records in relation to requests to meet, any associated approvals, and formal meetings between a minister or their staff and any person lobbying the minister or their staff (with reference to the approaches taken in Queensland, Scotland and Ireland)</li> <li>b. the inclusion in ministerial diaries and ministerial staff diaries of details of contacts with people undertaking lobbying activity to support the monitoring and compliance activities of the lobbying regulator (with reference to the NSW and Queensland approaches)</li> <li>c. the publication of a uniform Ministerial Staff Code of Conduct required under legislation, which obliges ministerial staff to comply with lobbying regulations</li> <li>d. training for ministerial advisers to raise awareness of risks associated with lobbyists</li> </ul> <p>7. ensures that interactions between lobbyists and electorate officers are transparent, including, but not limited to measures that require:</p> <ul style="list-style-type: none"> <li>a. electorate officers to maintain records (outlining prescribed details) of contact with those undertaking lobbying activity, noting that those records must be auditable to support the monitoring and compliance activities of the lobbying regulator</li> <li>b. the Electorate Officers Code of Conduct to specify that electorate officers must comply with lobbying regulations</li> <li>c. training for electorate officers to raise awareness of risks associated with lobbyists</li> </ul> <p>8. prohibits success fees being given or promised to lobbyists in return for a certain outcome of any lobbying activity</p> <p>9. ensures that a lobbyist cannot lobby an elected official whose election they have supported directly or indirectly, for example, through donations or in-kind support to a campaign.</p>
Special Report – Operation Daintree	<p><b>Recommendation 4</b></p> <p>That, in line with other Australian jurisdictions, the Victorian Government develops and introduces legislation to clarify and formalise the employment arrangements for ministerial staff, in order to strengthen transparency and accountability.</p> <p>Options to consider include:</p> <ol style="list-style-type: none"> <li>1. clarifying employment responsibilities, such as: <ul style="list-style-type: none"> <li>a. designating the minister to whom the staff are assigned to be their employer, or alternatively, vesting employer responsibilities in the minister to whom staff are assigned, once they have been employed by the Premier</li> <li>b. providing for the accountability and supervisory arrangements for ministerial staff</li> </ul> </li> <li>2. articulating the values and employment principles that apply to ministerial staff</li> <li>3. providing for the making of codes of conduct by the Premier to be observed by staff in performing their functions, including: <ul style="list-style-type: none"> <li>a. providing that a breach of the Ministerial Staff Code of Conduct may constitute misconduct</li> <li>b. requiring the Ministerial Staff Code of Conduct to be published and reviewed at regular intervals</li> </ul> </li> <li>4. articulating the principles for ministerial staff to follow when dealing with portfolio departments and agencies, including a specific prohibition on directing public sector employees.</li> </ol>

Table 32: IBAC's reporting requirements under the IBAC Act, section 165 (Cont'd)

Report	Recommendation
Special Report – Operation Daintree	<p><b>Recommendation 5</b></p> <p>That the government introduces legislation to require the Secretary to the Department of Premier and Cabinet (DPC) or the VPSC to include information in their annual report about the number of ministerial advisors and other staff who were employed in each ministerial office as of 30 June each year, and the total cost of employing ministerial advisors and staff during each financial year.</p>
Special Report – Operation Daintree	<p><b>Recommendation 6</b></p> <p>That, subject to any legislation drafted pursuant to Recommendation 4, the Premier, the DPC and the VPSC collaborate to ensure that the Ministerial Code of Conduct, the Ministerial Staff Code of Conduct, and the VPSC guidance to ministerial staff, departmental secretaries, executive officers and non-executive officers are consistent, comprehensive and emphasise:</p> <ol style="list-style-type: none"> <li>1. role clarity and the need for ministerial staff and public servants to understand and act within the scope of their roles</li> <li>2. mutual respect in relations between ministerial offices and public servants</li> <li>3. greater awareness of potential conflicts of interest and the need for additional caution to be exercised in managing conflicts of interest</li> <li>4. the operation of the conventions on ministerial responsibility.</li> </ol>
Special Report – Operation Daintree	<p><b>Recommendation 8</b></p> <p>That the Parliamentary Integrity Commissioner (to be established as a result of the Operation Watts report) be responsible for:</p> <ol style="list-style-type: none"> <li>1. receiving and investigating complaints about possible, non-criminal breaches of the Ministerial Staff Code of Conduct and other misconduct</li> <li>2. referring prima facie allegations of criminal or corrupt conduct to Victoria Police or IBAC</li> <li>3. referring minor breaches to the Premier for investigation and resolution, in the commissioner's discretion, and subject to the Premier advising the commissioner of the outcome of the investigation</li> <li>4. recommending further action to the employer of the ministerial staff member, including on potential sanctions, where the Parliamentary Integrity Commissioner is satisfied a ministerial staff member engaged in conduct that is in breach of the Ministerial Staff Code of Conduct</li> <li>5. promoting the revised Ministerial Staff Code of Conduct and providing regular education on it</li> <li>6. monitoring and reporting on compliance with the Ministerial Staff Code of Conduct and potential measures to improve it</li> <li>7. revising the Ministerial Staff Misconduct Policy and Procedure to align with this report's recommendations</li> <li>8. reporting annually on the performance of their functions with respect to ministerial staff (or on specific cases if warranted) to the Parliament.</li> </ol>

## Appendix C: Other disclosures

Table 32: IBAC's reporting requirements under the IBAC Act, section 165 (Cont'd)

Report	Recommendation
Special Report – Operation Daintree	<b>Recommendation 9</b>
	<p>That in developing the legislation to establish the ministerial staff complaints regime, the Victorian Government ensures that the legislation includes a requirement for ministerial staff to cooperate with an investigation of a complaint against them (or another ministerial staff member) with:</p> <ol style="list-style-type: none"> <li>1. safeguards against the use of such information in other criminal or civil proceedings (other than for unfair dismissal or providing false or misleading information)</li> <li>2. a failure to cooperate with the Parliamentary Integrity Commissioner constituting misconduct enabling the commissioner to recommend appropriate action to the employer of the ministerial staff member for that misconduct.</li> </ol>
Special Report – Operation Daintree	<b>Recommendation 11</b>
	<p>That:</p> <ol style="list-style-type: none"> <li>1. the Victorian Government develops and introduces amendments to the <i>Parliamentary Committees Act 2003</i> to empower relevant committees to compel ministerial staff members to appear before them and answer questions in limited and defined circumstances, such as where a minister claims to be unaware of the staff member's conduct in a matter relevant to the minister's portfolio into which the committee is inquiring</li> <li>2. the Standing Orders Committee of each House (or any other committee as may be appropriate) develops guidance material for parliamentary committees and ministerial advisors called before such committees on, among other things:             <ol style="list-style-type: none"> <li>a. what does or does not constitute permissible questions to put to an advisor</li> <li>b. what an advisor's obligations are to answer questions</li> <li>c. the consequences of an advisor failing to answer a legitimate question.</li> </ol> </li> </ol>
Special Report – Operation Daintree	<b>Recommendation 17</b>
	<p>That the Victorian Government:</p> <ol style="list-style-type: none"> <li>1. consults with IBAC on the preparation of legislative changes arising from the implementation of recommendations in this report</li> <li>2. provides to Parliament:             <ol style="list-style-type: none"> <li>a. a progress report on the actions taken in response to the recommendations in this report by 31 October 2023</li> <li>b. a further report on those actions (with a focus on the recommended complaints regime) by 30 June 2024.</li> </ol> </li> </ol> <p>IBAC may publicly report on the adequacy or otherwise of those responses.</p>

## Firearms Act, section 172(2)

Under section 172(2) of the Firearms Act, IBAC is required to include in this report:

- the number of firearm prohibition orders, the making of which IBAC has reviewed
- the number of review cases for which IBAC has made recommendations, and the number of those recommendations that the Chief Commissioner of Victoria Police has accepted.

IBAC's acquittal of its reporting obligations under section 172(2) of the Firearms Act can be found in the IBAC compliance monitoring of Victoria Police section of this report.

In 2022/23, IBAC has matured its reporting process for quarterly reviews of firearm prohibition orders, and has started:

- providing extensive reasoning as to why IBAC considers a firearm prohibition order should not have been made
- recommending that reviews by Victoria Police of the orders that IBAC considers ought not to have been made be conducted by delegates who are independent of the initial decision to make the orders
- requiring Victoria Police to provide IBAC with reasons for any decision Victoria Police makes that an order IBAC considered ought not have been made should remain in place.

## Office-based environmental impacts

We minimise our use of electricity and water by:

- washing IBAC fleet vehicles on an as-needed basis only
- using efficient office equipment, such as printers and photocopiers
- implementing pool printing and power-saving measures on all computers
- using highly energy efficient lighting with motion detection to automatically switch off in unstaffed areas.

Additionally, IBAC uses 100 per cent recycled paper produced from sustainable sources in all photocopiers. We provide paper recycling bins throughout office areas, and we recycle all ink cartridges.

IBAC is a Tier 4 entity under the Financial Reporting Directive 24. Inclusion of indicators was determined by and aligned with the requirements for this tier as per the updated directive. Indicator T2 is excluded due to the nature of IBAC operations.

Table 33: Energy use data

Indicator	2022/23	2021/22	2020/21
<b>EL1. Total electricity consumption segmented by source (MJ)</b>	<b>2,186,682</b>	<b>2,459,968</b>	<b>2,224,334</b>
Electricity (MJ) – excluding green power	2,186,682	2,459,968	2,224,334
Natural gas (MJ)	–	–	–
Green power (MJ)	–	–	–
LPG (MJ)	–	–	–
<b>EL4. Total electricity offsets segmented by offset type</b>	<b>–</b>	<b>–</b>	<b>–</b>

IBAC's NABERS Water rating is 5 stars for the 2021/22 financial year. Detail is available in Table 34. As this is a new reporting requirement and the data for the current financial year was not available in time to be included in this report, it is reported in arrears.

Table 34: NABERS energy ratings

Indicator	2021/22
Total water consumption	9,540.0 kL
Water consumption per m <sup>2</sup>	0.346 kL/m <sup>2</sup>
Normalised water consumption	0.346 kL/m <sup>2</sup>

## Appendix C: Other disclosures

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### Additional information available on request

Subject to the provisions of the FOI Act, information that shall be retained by the accountable officer shall include:

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- details of publications produced by the entity about itself, and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by the entity
- details of any major external reviews carried out on the entity
- details of major research and development activities undertaken by the entity
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- details of assessments and measures undertaken to improve the OHS of employees
- a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes
- a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved
- details of all consultancies and contractors including:
  - consultants/contractors engaged
  - services provided
  - expenditure committed to for each engagement.

The information is available on request from:

Executive Director Corporate Services  
Independent Broad-based Anti-corruption Commission  
GPO Box 24234, Melbourne VIC 3001

# Appendix D

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## Legislation

## Appendix D: Legislation

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Audit Act 1994	58, 59
Building Act 1993	107, 112
Carers Recognition Act 2012	107, 113
Charter of Human Rights and Responsibilities Act 2006	6, 23, 26
Constitution Act 1975	58
Crimes Act 1958	35
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Drugs, Poisons and Controlled Substances Act 1981	35
Financial Management Act 1994	1, 19, 53, 57, 58, 65, 66, 94, 110
Firearms Act 1996	35, 123
Freedom of Information Act 1982	107, 111, 112, 124, 128
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Independent Broad-based Anti-corruption Commission Act 2011	1, 6, 12, 24, 26, 33, 34, 39, 46, 52, 65, 111, 113-122
Integrity and Accountability Legislation Amendment (Public Interest Disclosure, Oversight and Independence) Act 2019	19
Members of Parliament (Standards) Act 1978	114, 115
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Sex Offenders Registration Act 2004	35
Witness Protection Act 1991	35

# Appendix E

## Abbreviations

## Appendix E: Abbreviations

AAS	Australian Accounting Standard
AASB	Australian Accounting Standards Board
AM	Order of Australia, Member
BAU	business as usual
BP3	<i>Budget Paper No. 3</i>
CCO	community corrections order
CEO	chief executive officer
CIRT	Critical Incident Response Team
CMS	case management system
DHHS	Department of Health and Human Services
DPC	Department of Premier and Cabinet
EO	executive officer
FBT	fringe benefits tax
FOI Act	<i>Freedom of Information Act 1982</i>
FOI	freedom of information
FPO	Firearm Prohibition Order
FRD	Financial Reporting Direction
FTE	full-time equivalent
GST	goods and services tax
HEF	Health Education Federation
HSR	health and safety representative
IBAC	Independent Broad-based Anti-corruption Commission
IBAC Act	<i>Independent Broad-based Anti-corruption Commission Act 2011</i>

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ICT	information and communication technology
IOC	Integrity and Oversight Committee
KC	King's Counsel
KPI	key performance indicator
LMR	Local Management Resolution
LPG	liquid petroleum gas
LSL	long service leave
m <sup>2</sup>	square metres
MIM	Management Intervention Model
MJ	megajoule
MTIA	Major Transport Infrastructure Authority
NABERS	National Australian Built Environment Rating System
NSW	New South Wales
OHS	occupational health and safety
OVIC	Office of the Victorian Information Commissioner
PID	public interest disclosure
PID Act	<i>Public Interest Disclosures Act 2012</i>
RAP	Reconciliation Action Plan
RCMPI	Royal Commission into the Management of Police Informants
STS	senior technical specialist
VPS	Victorian Public Service
VPSC	Victorian Public Sector Commission

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